Union Calendar No. 277

100th Congress, 1st Session

H. Rept. No. 100-433 S. Rept. No. 100-216

Report of the Congressional Committees Investigating the

Iran-Contra Affair

Appendix A: Volume 1
Source Documents

Lee H. Hamilton, *Chairman,*
House Select Committee
Daniel K. Inouye, *Chairman,*
Senate Select Committee

U.S. House of Representatives
Select Committee to Investigate
Covert Arms Transactions with Iran

U.S. Senate Select Committee
On Secret Military Assistance to Iran
And the Nicaraguan Opposition

November 13, 1987.—Committed to the Committee of the Whole House
on the State of the Union and ordered to be printed.
November 17, 1987.—Ordered to be printed.

Washington : 1988

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Washington, DC 20402

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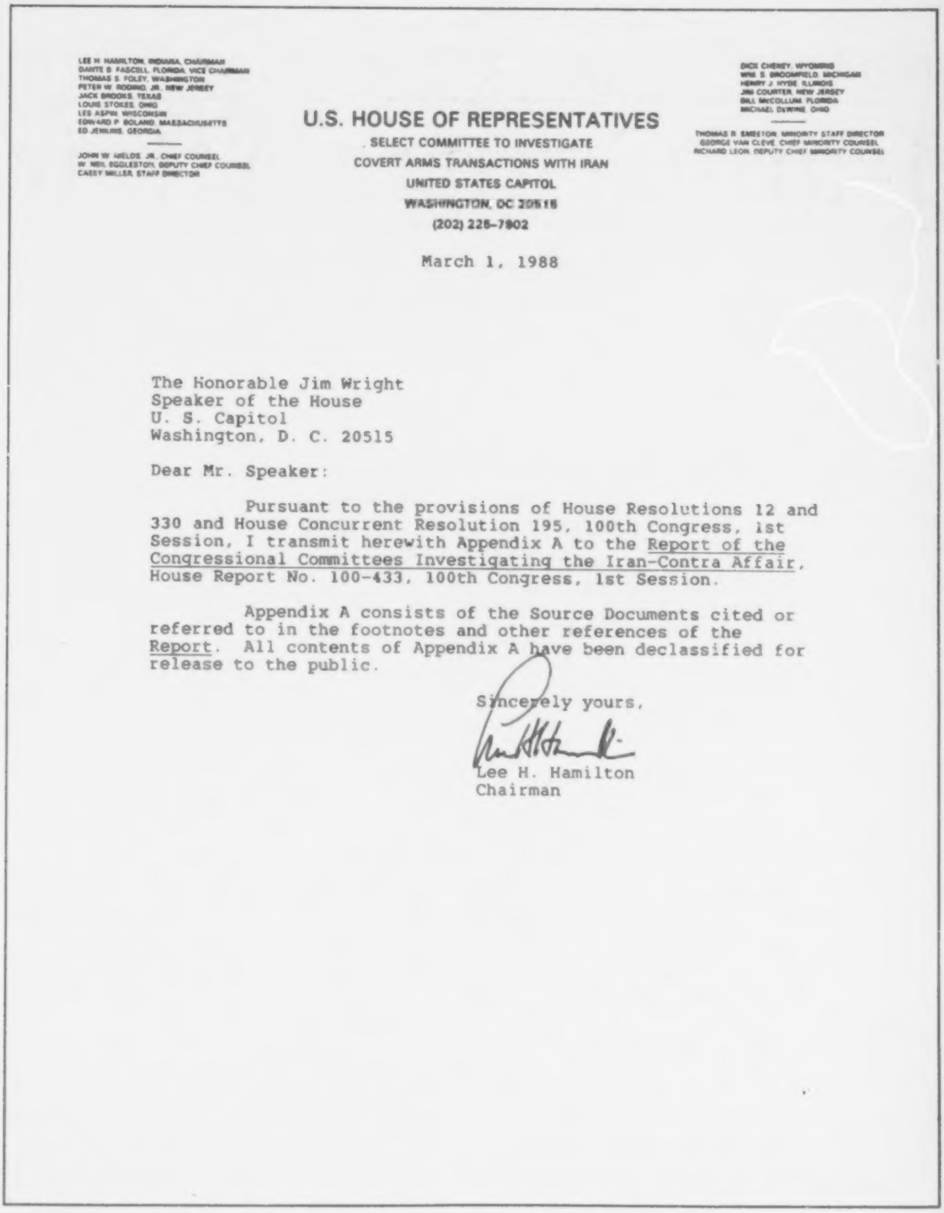

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March 1, 1988

The Honorable Jim Wright
Speaker of the House
U. S. Capitol
Washington, D. C. 20515

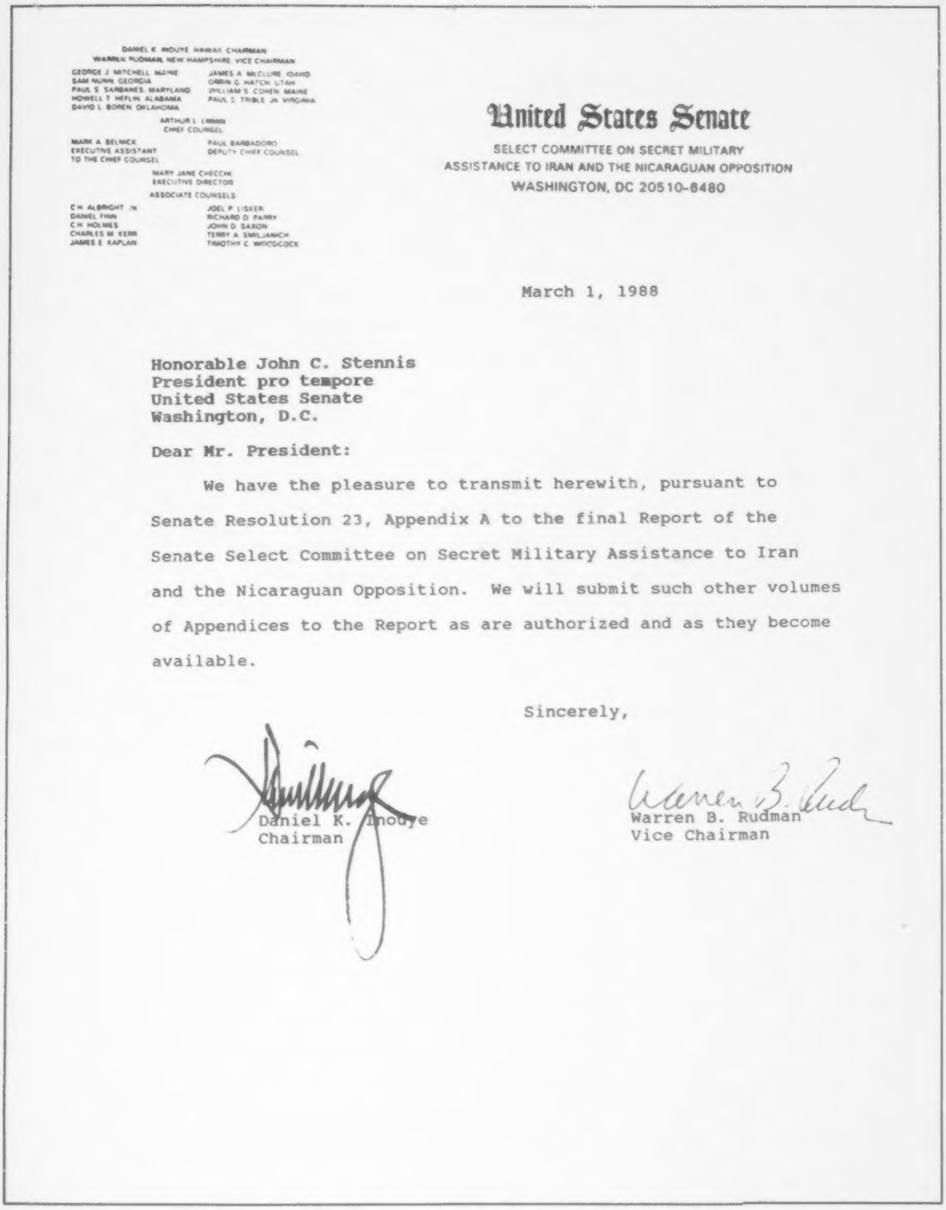
Dear Mr. Speaker:

Pursuant to the provisions of House Resolutions 12 and 330 and House Concurrent Resolution 195, 100th Congress, 1st Session, I transmit herewith Appendix A to the Report of the Congressional Committees Investigating the Iran-Contra Affair, House Report No. 100-433, 100th Congress, 1st Session.

Appendix A consists of the Source Documents cited or referred to in the footnotes and other references of the Report. All contents of Appendix A have been declassified for release to the public.

Sincerely yours,

Lee H. Hamilton
Chairman



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United States Senate
SELECT COMMITTEE ON SECRET MILITARY
ASSISTANCE TO IRAN AND THE NICARAGUAN OPPOSITION
WASHINGTON, DC 20510-6480

March 1, 1988

Honorable John C. Stennis
President pro tempore
United States Senate
Washington, D.C.

Dear Mr. President:

We have the pleasure to transmit herewith, pursuant to Senate Resolution 23, Appendix A to the final Report of the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition. We will submit such other volumes of Appendices to the Report as are authorized and as they become available.

Sincerely,

Daniel K. Inouye
Chairman

Warren B. Rudman
Vice Chairman

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Historian	Edward L. Keenan
Volunteers	Lewis Liman Catherine Roe Susan Walsh

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*The staff member was not with the Select Committee when the Report was filed but had, during the life of the Committee, provided services.

Contents

Note to Reader:

This volume contains certain source documents cited in the footnotes to the Report. These documents are grouped by chapter and labeled according to their chapter and footnote numbers.

Source documents that are available in the *Hearings* and *Deposition* volumes, from public sources, still classified, or otherwise unavailable are not included.

The Preface explaining the various types of documents in this volume begins on p. xiii.

Preface

This volume contains much of the documentary evidence—letters, memorandums, transcripts of telephone calls, and other materials—that underlies many of the factual statements made in the *Report of the Congressional Committees Investigatinq the Iran-Contra Affair.* The *Report* is a joint publication of the House Select Committee to Investigate Covert Arms Transactions with Iran and the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition. The complete database for all factual statements made in the *Report* and referenced in its footnotes consists of the following:

- Source documents, contained in this volume.
- Published sources, referenced in the footnotes of the *Report* but not reprinted by the two Select Committees.
- Hearings before the two Select Committees, which are published separately in 11 volumes as the *Iran-Contra Investigation: Joint Hearings of the House Select Committee to Investigate Covert Arms Transactions with Iran and the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition,* 100th Cong. lst Sess. (1987).
- Depositions taken by the two Select Committees, which are published as *Report of the Congressional Committees Investigating the Iran-Contra Affair, Appendix B: Depositicns,* H. Rept. No. 100-433, S. Rept. No. 100-216, 100th Cong., lst Sess. (1987).
- Exhibits prepared by the Select Committees or by witnesses or other persons and submitted for the record. All exhibits mentioned in the *Hearings* and most of those referenced in the *Depositions* are contained in those respective volumes.

Explanations follow of: source materials found in this volume; testimony; depositions; exhibits; interviews; published sources; and abbreviations, acronyms, and initials

Major Source Materials

The Select Committees relied heavily on sworn testimony and documentary evidence in compiling their final *Report.* Brief descriptions of the major sources appear here, and more detailed descriptions of some of the sources follow later in this Preface.

Testimony: Sworn testimony (testimony taken under oath) consisted of two kinds. Testimony taken in the joint hearings is referred to as "Test." in the footnotes, and testimony taken as depositions is referred to as "Dep." in the footnotes. Fuller explanations of these kinds of testimony appear below.

Documents: In most cases, miscellaneous documents referred to in the footnotes are published in this volume. Usually a Bates identification number appears in the footnote, e.g., N 2816. The identification number will assist researchers who wish to find the complete original document in the Select Committees papers stored with the National Archives and Records Administration. Access to Select Committees papers is subject to the respective rules of the House and Senate.

Interviews: Select Committees' staff interviewed a number of people on an unsworn basis. Most interviews were summarized in memorandums. The memorandums of the interviews referred to in the footnotes of the ***Report*** are stored with the National Archives.

PROF Note: These Notes were computerized interoffice messages carried over the White House's Professional Office Services system. National Security Council staff were provided with equipment to send and receive PROF Notes in their offices and in some cases in their homes. In many instances, messages sent over the PROF system were archived in White House computers and were retrieved by White House personnel and provided to the Select Committees. Footnote references to PROF Notes include the date and time (in military time) and the Bates document identification number. Most PROF Notes referred to in the footnotes are published in this volume.

KL-43 Messages: These messages were sent over telephone lines through use of a computerized instrument that encrypted the message at the sender's end and decoded it at the receiver's end. The system was portable and could be carried to remote locations. Most KL-43 messages referenced in the footnotes are published in this volume.

Israeli Historical Chronology: The Iranian Transactions—A Historical Chronology. The Committees entered into an agreement with the State of Israel whereby Israel agreed to prepare and provide a historical chronology detailing the role of Israel and individual Israelis in the Iran initiative from 1985 through 1986. Israel was unwilling to waive its privileges of State secrecy and sovereign immunity and permit its officials and citizens to be questioned by the Committees. In lieu of interviews or testimony, and without waiver, Israel agreed to conduct interviews of Israeli nationals and reviewed certain documents. With the specific agreement of the Government of Israel, information from the Israeli chronologies is used in this Report. By agreement between the Committees and the Government of Israel, the chronology remains classified.

Part I covers Israeli shipments of arms to Iran from August 1985 through November 1985. Part II covers U.S. arms shipments and Israeli participation in the arms transaction from December 1985 to the time of disclosure in November 1986. The Select Committees received Part II in July 1987, after public hearings were under way.

Israeli Financial Chronology: A Financial Chronology of the Iranian Transactions (April 26, 1987). At the request of the Select Committees, the Israeli Government also agreed to prepare from unsworn interviews of Israeli citizens a financial chronology. The document covers the money trail leading from the initial Israeli arms shipment to Iran in August 1985. By agreement, the document remains classified.

Other Source Documents

Tower Report: On December 1, 1986, President Reagan established the President's Special Review Board to examine the role of the National Security Council staff in national security operations, including arms transfers to Iran. The Board consisted of John Tower, Chairman, Edmund Muskie, and Brent Scowcroft. The Board and staff interviewed numerous individuals in and out of the Federal Government, but did not have authority to issue subpoenas or compel testimony. The Board issued its report—an examination of NSC operations, a narrative of the Iran-Contra Affair, and recommendations—3 months later. The full title is *Report of the President's Special Review Board,* John Tower, Chairman (Washington: Government Printing Office, February 26, 1987).

Tower Interviews (sometimes referred to as Tower Testimony): The Tower Board conducted unsworn interviews with 53 individuals. These people included former Assistants to the President for National Security, National Security Council Members, former Presidents, and Central Intelligence Agency employees. Interviews cited in the Report but not appearing in the *Source Documents* volume are filed with the Committees' papers at the National Archives.

Hearings

The Select Committees held 44 days of joint hearings and questioned 28 witnesses publicly. Public hearings began May 5, 1987, and ended August 3, 1987. Four witnesses—Central Intelligence Agency employees—testified in executive session. House Reporters transcribed all proceedings and the Senate Recording Studio videotaped them. Two television networks, Cable News Network and C-SPAN, televised all the public hearings. Individual public television stations, ABC, CBS, and NBC broadcast portions of the hearings.

Every witness testified under oath either in response to a subpoena or an invitation or voluntarily. Legal counsel accompanied most witnesses. The enabling legislation empowered the Select Committees to compel testimony over fifth amendment objections by granting use immunity. Once the Select Committees obtained a court order, they could immunize witnesses against the use of their testimony in criminal prosecutions. Thus, any statements or admissions made by witnesses granted use immunity could not be used in a subsequent criminal proceeding, except a prosecution for perjury, giving a false statement, or otherwise failing to comply with the court order. The Select Committees granted use immunity to about 20 witnesses.

Committees Members, in consultation with Chief Counsels and staff, identified and selected witnesses and then developed specific lines of inquiry. At the hearings, questioning was led by attorneys from either the House Select Committee or the Senate Select Committee, depending on a prearranged division of witnesses. Both House and Senate Members pursued followup questions.

Original, hand-corrected transcripts, from which the published *Hearings* volumes were produced, have been filed by the Committees in the National Archives.

Depositions

The Select Committees, under authority contained in the resolutions establishing them (H. Res. 12 and S. Res. 23, respectively), deposed approximately 290 individuals over the course of their 10-month joint investigation.

The use of depositions enabled the Select Committees to take sworn responses to specific interrogatories, and thereby to obtain information under oath for the written record and develop lines of inquiry for the public hearings.

Select Committees Members and staff counsel, including House minority counsel, determined who would be deposed, then sought subpoenas from the Chairmen of the Select Committees, when appropriate, to compel the individuals to appear in nonpublic sessions for questioning under oath. Many deponents also received separate subpoenas ordering them to produce certain written documents.

Members and staff traveled throughout the United States and abroad to meet with deponents. All depositions were stenographically reported or tape recorded and later transcribed and authenticated. Deponents had the right to review their statements after transcription and to suggest factual and technical corrections to the Select Committees.

At the depositions, deponents could assert their fifth amendment privilege to avoid self-incrimination by refusing to answer specific questions. They were also entitled to legal representation. Most Federal Government deponents were represented by lawyers from their agency; the majority of private individuals retained their own counsel.

The Select Committees, after obtaining the requisite court orders, granted limited or "use" immunity to about 20 deponents. Such immunity means that, while a deposed individual could no longer invoke the fifth amendment to avoid answering a question, his or her compelled responses—or leads or collateral evidence based on those responses—could not be used in any subsequent criminal prosecution of that individual, except a prosecution for perjury, giving a false statement, or otherwise failing to comply with the court order.

An executive branch Declassification Committee, located in the White House, assisted the Committee by reviewing each page of deposition transcript and some exhibits and identifying classified matter relating to national security. Some depositions were not reviewed or could not be declassified for security reasons.

In addition, members of the House Select Committee staff corrected obvious typographical errors by hand and deleted personal and proprietary information not considered germane to the investigation.

In the *Depositions* volumes, some of the deposition transcripts are followed by exhibits. The exhibits—documentary evidence—were developed by Select Committees staff in the course of the Select Committees' investigation or were provided by the deponent in response to a subpoena. In some cases, where the number of exhibits was very large, the House Select Committee staff chose for inclusion in the *Depositions* volumes selected documents. All of the original exhibits are stored with the rest of the Select Committees' documents at the National Archives, and are available for public inspection subject to the respective rules of the House and Senate.

The 27 volumes of the *Depositions,* totalling more than 30,000 pages, consist of photocopies of declassified, hand-corrected typewritten transcripts and declassified exhibits. Deponents appear in alphabetical order.

Exhibits

Exhibits—personal papers, office memorandums, correspondence, corporate records, and miscellaneous documents—were an important source of information for the Select Committees. The Select Committees obtained some exhibits voluntarily, others through Committee-issued subpoenas. Primary sources for these exhibits were the White House, Department of State, Department of Defense, Central Intelligence Agency, Department of Justice, other Federal Government offices, and private parties.

During hearings, 1,092 exhibits were introduced, most often by the Select Committees. Occasionally, witnesses or deponents produced exhibits.

Exhibits presented during hearings are reproduced at the back of the *Hearings* volumes. Selected exhibits appear in the *Depositions* volumes at the conclusion of the relevant witness' statement. Some exhibits—extensive corporate records, for example—are not published in their entirety, but are stored in the Select Committees' records in the National Archives.

Like the testimony and depositions they accompanied, exhibits had to be reviewed by the White House Declassification Committee. Some exhibits remain classified and will not be published.

Interviews

Interviews were used to gather information, identify potential deponents and hearings witnesses, and explore new areas of investigation. Committee investigators, working individually or in teams, conducted most of the interviews. Interviewees were not subpoenaed and many volunteered information. Investigators interviewed, rather than deposed, individuals who had limited information or who were living in remote parts of the world. For instance, investigators conducted numerous telephone interviews with persons in Central America. In most cases, interviewees were not accompanied by counsel.

Investigators took notes of or recorded interviews and later summarized them into report memorandums. Report memorandums are not published in this volume; they have been deposited in the National Archives.

Published Sources

The Select Committees drew on both unpublished and published sources in preparing their final *Report*. Published sources (magazines, newspapers, books, Federal Government publications, and law journals) are not included in the *Source Documents* volume because they are available at libraries. They are listed here to indicate to readers and researchers the scope of the Select Committees' source materials. These sources are cited in the *Report* footnotes according to *A Uniform System of Citation* (Harvard Law Review Association, 14th Edition).

Magazines

Congressional Quarterly Almanac 1984
Journal of Intelligence and Counterintelligence
Newsweek
The New Republic
The Public Interest
The Washingtonian
U.S. News and World Report

Newspapers

Associated Press
Baltimore Sun
Boston Globe
Chicago Tribune
Dallas Morning News
Guardian (Manchester)
Los Angeles Times
Miami Herald
San Diego Union
The New York Times
The Washington Post
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White, L., *The Federalists: A Study in Administrative History, 1789-1801* (1948)
Wise, D., *The American Police State* (1976)
Woodward, B., *Veil: The Secret Wars of the CIA: 1981-1987* (1987)
Wright, Q., *The Control of American Foreign Relations* (1922)

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Annals of Congress
Audit Report, Office of Inspector General, Department of State
Congressional Record
Congressional Research Service Report
Constitution of the United States
Hearings Before the Subcommittee on Europe and the Middle East, House Committee on Foreign Affairs
Hearings of the House Permanent Select Committee on Intelligence
Hearings of the Senate Select Committee on Intelligence
House Permanent Select Committee on Intelligence, Subcommittee on Legislation
House Report 122, 98th Congress, lst Session
Intelligence Authorization Act, Fiscal Year 1984
Public Law 97-377, Defense Appropriations Act for Fiscal Year 1983
Public Papers of the President of the United States, Jimmy Carter
Public Papers of the President of the United States, Ronald Reagan
Report of the National Bipartisan Commission on Central America, Henry Kissinger, Chairman
Select Committee on Intelligence, Senate Report No. 665, 98th Congress, 2nd Session
Senate Select Committee to Study Governmental Operations, Final Report
State Department Bulletin
U.S. Departments of State and Defense, The Challenge To Democracy in Central America
U.S. Government Accounting Office, Report of the Chairmen, Senate and House Select Committees Investigating Iran Arms Sales, "Iran Arms Sales: Department of Defense Transfer of Arms to the CIA"
Weekly Presidential Documents

Law Journals

American Journal of Jurisprudence
Publius
Texas Law Review
Vanderbilt Journal of International Law
West Virginia Law Review

Abbreviations, Acronyms, and Initials

Sources and footnotes in the *Report of the Congressional Committees Investigating the Iran-Contra Affair* often appear with the initials of individuals and acronyms and abbreviations of agencies, organizations, and other groups. The following list provides the full names for these shortened forms.

AECA:	Arms Export Control Act
AET:	A.M., Eastern Time
AH:	Albert Hakim
BG:	Code name for Oliver North
BGS:	Bretton G. Sciaroni
B. Sun:	Baltimore Sun
C/CATF:	Chief, Central American Task Force, Central Intelligence Agency
C.F.R.:	Code of Federal Regulations
CG:	Clair George
CIA:	Central Intelligence Agency
CINN:	CIA Document Control System
CJC:	Charles J. Cooper
C/NE:	Chief, Near East Division, Central Intelligence Agency
Comp. Gen.:	Comptroller General of the United States
Cong. Rec.:	Congressional Record
CSF:	Compagnie de Services Fiduciaries
CWW:	Caspar W. Weinberger
DCI:	Director of Central Intelligence
DCM:	Deputy Chief of Mission, U.S. Embassy
DC/NE:	Deputy Chief, Near East Division, Central Intelligence Agency
DDCI:	Deputy Director of Central Intelligence, Central Intelligence Agency
DDO:	Deputy Director of Operations, Central Intelligence Agency
DEA:	Drug Enforcement Administration
Dep.:	Deposition taken by the Select Committees
DIA:	Defense Intelligence Agency
DOA:	Department of the Army
DOD:	Department of Defense
DRC:	Duane (Dewey) R. Clarridge
DTR:	Donald T. Regan
EA:	Elliott Abrams
EATSCO:	Egyptian American Transport Company
EM:	Edwin Meese, III
Fed. Reg.:	Federal Register
FH:	Fawn Hall
FIR:	Felix I. Rodriguez

FY:	Fiscal Year
GPO:	Government Printing Office
GPS:	George P. Shultz
HPSCI:	House Permanent Select Committee on Intelligence
H. Rep.:	House of Representatives Report
H. Res.:	House Resolution
Int.:	Interview
JCS:	Joint Chiefs of Staff
JKS:	John K. Singlaub
JMP:	John M. Poindexter
KL-43	A device for sending secure telephone messages
LAT:	Lewis A. Tambs
NHAO:	Nicaraguan Humanitarian Assistance Office
NSC:	National Security Council
NSDD:	National Security Decision Directive
NSPG:	National Security Planning Group
OEOB:	Old Executive Office Building (also called EOB)
OLN:	Oliver L. North
OSG:	Operations Sub Group
PROF:	Professional Office Services. An interoffice computer message
Pub. L.:	Public Law
RCD:	Robert C. Dutton
RCM:	Robert C. McFarlane
RIG:	Restricted Inter-agency Group
RVS:	Richard V. Secord
RWO:	Robert W. Owen
SAT:	Southern Air Transport Company
SIG:	Special Interagency Working Group
S/LPD:	Office for Public Diplomacy for Latin America and the Caribbean
SNIE:	Special National Intelligence Estimate
S. Rep.:	Senate Report
S. Res.:	Senate Resolution
SS:	Stanley Sporkin
SSCI:	Senate Select Committee on Intelligence
STTGI:	Stanford Technology Trading Group International
TC:	Tomas Castillo
TCS:	Thomas C. Sinclair
Test.:	Sworn testimony taken before the Select Committees in their joint hearings
TIWG:	Terrorist Incident Working Group
U.S.C.:	United States Code

Publications of the House and Senate Select Committees

Report of the Congressional Committees Investigating the Iran-Contra Affair, 1 volume, 1987.

Appendix A: *Source Documents,* 2 volumes, 1988.
Appendix B: *Depositions,* 27 volumes, 1988.
Appendix C: *Chronology of Events,* 1 volume, 1988.

All publications of the Select Committees are available from the U.S. Government Printing Office.

CHAPTER 1. INTRODUCTION:

BACKGROUND ON U.S.-NICARAGUA RELATIONS

THIS CHAPTER DOES NOT CONTAIN FOOTNOTES.

CHAPTER 2. THE NSC STAFF TAKES CONTRA POLICY UNDERGROUND

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Chapter 9
= footnote!

33323

THE COUNSELOR
DEPARTMENT OF STATE
WASHINGTON

February 27, 1981 2-1

~~SECRET~~ - SENSITIVE

MEMORANDUM FOR THE SECRETARY

FROM: R. C. McFarlane

SUBJECT: Covert Action Proposal for Central America

Last evening we received the attached CIA proposal for a very broad program of covert actions to counter Cuban subversion in Central America. It will be considerated at the NSC meeting this afternoon.

Two alternatives are presented in the paper -- a large program and a small program. The large one [redacted] provides for a comprehensive [redacted] The limited program [redacted] would be confined [redacted]

While both of these programs are hastily drawn, they are a good beginning. Some of the more obvious problems include the inevitable leaks that would accompany a submission to the Hill of a [redacted] program and the absorptive capacities of local resources. In addition, as you know, we have had offers [redacted] which should be taken into account in shaping our own program. But overall, this is a very worthwhile beginning which I recommend you welcome and support.

The key point to be made now is that while we must move promptly, we must assure that our political, economic, diplomatic, propaganda, military, and covert actions are well coordinated. At this meeting, it is recommended that you

-- state that you have already launched (2 weeks ago) a comprehensive effort to develop quickly a strategy for dealing with Cuba and that this paper can and will be scrubbed and integrated into that effort.

Partially Declassified/Released on 2/2/87
under provisions of E.O. 12356
by B. Reger, National Security Council

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RCM Files 3-11
3/31/87
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~~SECRET - SENSITIVE~~

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TALKING POINTS

1. BILL CASEY'S PAPER PROVIDES AN EXCELLENT COVERT DIMENSION TO WHAT MUST BE A PROMPT COMPREHENSIVE STRATEGY FOR DEALING WITH CUBA THROUGHOUT CENTRAL AMERICA.

2. TWO WEEKS AGO, I INITIATED WITH CAP, A DISCRETE BUT THOROUGH STUDY AS A BASIS FOR SUCH A STRATEGY.

3. TODAY I AM CIRCULATING A FIRST CUT TO CAP AND BILL SO THAT WE CAN TRANSLATE THE CONCEPT INTO ACTION.

4. IN IT'S PRESENT FORM, BILL'S PAPER HAS MANY UNKNOWNS WHICH HE ACKNOWLEDGES.

--WHERE WILL WE GET THE MONEY?

--WOULD NOT A [redacted] PROGRAM [redacted] INEVITABLY LEAK?

--CANNOT SOME OF THE ITEMS BE FUNDED BY DEFENSE?

--CAN WE NOT GET SOME HELP FROM [redacted] -I HAVE ALREADY HAD A TENTATIVE OFFER FROM [redacted]

--THEN TOO, WE NEED TO SET SOME PRIORITIES IN A PROGRAM AS LARGE AS THIS SO THAT WE GET BUSY DOING THE MOST IMPORTANT THINGS FIRST.

5. I PROPOSE THAT WE TAKE THIS EXCELLENT BEGINNING AND THAT BILL, CAP AND I HAVE OUR GUYS INTEGRATE IT AND COME BACK WITH A REFINED PROPOSAL WITHIN A WEEK.

[illegible] Released on 7/15/87
under provisions of E.O. 12356
[illegible] National Security Council

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	CONCURRENCE		RECOMMENDATION
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A. New Regional Finding

B. Scope of CIA Involvement

C. Proposal

D. [redacted]

E.

F.

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Finding Pursuant to Section 662 of the Foreign Assistance Act of 1961, As Amended, Concerning Operations Undertaken by the Central Intelligence Agency in Foreign Countries, Other Than Those Intended Solely for the Purpose of Intelligence Collection

I hereby find that the following operations in foreign countries (including all support necessary to such operations) are important to the national security of the United States, and direct the Director of Central Intelligence, or his designee, to report this Finding to the concerned committees of the Congress pursuant to law, and to provide such briefings as necessary.

The Department of Defense is directed to provide all necessary assistance and support to the Central Intelligence Agency in implementation of this Finding.

SCOPE	DESCRIPTION
Central America	Directly or in cooperation with foreign governments, engage in a regional effort to expose and counter Marxist and Cuban-sponsored terrorism, insurgency, and subversion in El Salvador, Nicaragua, Guatemala, Honduras, and elsewhere in Central America. [redacted]

Declassified/Released on 2/9/88
under provisions of E.O. 12356
J. S. Reger, National Security Council

The White House

Date:

EYES ONLY

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pages N 44652 – N 44658 (7 pages)
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2-20 to 24

J 4823

The Boland Amendment

The Intelligence Authorization Act for FY 1983 included a classified annex which expressed the "sense of the conferees" that no funds authorized by the act should be used "to overthrow the Government of Nicaragua or to provoke a military exchange between Nicaragua and Honduras."[61] I was informed by congressional staff sources (who asked that their identities be protected) earlier this year that some members of the intelligence committees felt that this restriction (if a non-binding "sense of the conferees" provision can be so characterized[62]) was not being observed.

On December 8, 1982, when the continuing resolution for FY 1983 was pending before the House, Congessman Harkin introduced an amendment as follows:

> None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of assisting that group or individual in carrying out military activities in or against Nicaragua.[63]

While this was being debated, House intelligence committee chairman Boland made public the above mentioned classified annex and proposed a substitute amendment to the Harkin amendment reading as follows:

> None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the Governnment of Nicaragua or provoking a military exchange between Nicaragua and Honduras.[64]

In return, Congressman Harkin offered a substitute to the Boland substitute which read:

> None of the funds provided in this Act may be used by the Central Intelligence Agency or any

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[61] 128 Cong. Rec. H9156 (daily ed., Dec. 8, 1982).
[62] Here I am not suggesting that it might be politically wise to ignore the expressed opinion of the conferees--I am only saying that in this form the language is not legally binding.
[63] 128 Cong. Rec. H9148 (daily ed., Dec. 8, 1982).
[64] Ibid., at H9158

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> agency of the Department of Defense to furnish military equipment, military training or advice or other support for military activities, to any individual or group which is not part of a country's armed forces and which is already known by that agency to have the intent of overthrowing the Government of Nicaragua or of provoking a military conflict beween Nicaragua and Honduras.[65]

The Harkin substitute was defeated by a vote of 13 to 27 on a division of the House,[66] and on a roll call vote the Boland substitute passed 411 to 0.[67] This language was subsequently accepted by the Senate in conference, and became law when the act was signed by the President.

Most of the recent legal criticism of alleged U.S. covert activities in Central America centers around this law. In late March, 37 House members sent a letter to the President reportedly warning that CIA activities in Central America may be violating the law.[68] Senator Moynihan, the ranking Democrat on the Senate intelligence committee, has been quoted by the New York Times as saying that while the committee has not as yet reached a consensus on whether the Boland amendment has been breached, "A growing number of my colleagues question whether the C.I.A. is complying with the law . . . ."[69] Shortly thereafter, the Washington Post quoted Moynihan as saying that "a crisis of confidence" was building over this issue between Congress and the intelligence agencies. "'It is absolutely necessary that the administration obey the law,' said Moynihan, who expressed the view that either the law or the operations must be changed because the current situation is untenable."[70] Senator Goldwater has also been quoted as believing that the CIA might be involved in "plans to destabilize the Nicaraguan government,"[71] but an inquiry to his office produced a denial that he had made any such statement.[72]

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[65] Ibid., at H9159.
[66] Ibid.
[67] Ibid.
[68] New York Times, April 1, 1983.
[69] Ibid.
[70] Washington Post, April 3, 1983.
[71] Christian Science Monitor, March 29, 1983.
[72] On March 29 I telephoned Denny Sharon, Senator Goldwater's Armed Services Legislative Assistant (Robb Simons, Goldwater's man on the intelligence committee, was out of town). Denny was unfamiliar with the Monitor article, but copied down the key language and said he would check with the Senator (who was out of town). On the morning of March 31, Denny called me back and said the Senator told him that he had made no such statement concerning alleged U.S. involvement in Nicaragua and that he would send a communication to the Monitor disavowing their account.

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The words "for the purpose of . . . " are critical to understanding the Boland Amendment. Does this bar expenditure of funds by the CIA only when the Agency's purpose is to overthrow the Nicaraguan government or to provoke a confrontation with Honduras, or does it also bar funding of a paramilitary group when the Agency's purpose is to pressure Nicaragua to cease its aggression against El Salvador but when the receipient group's objective is to overthrow the Nicaraguan government? The administration has taken the former view--that it is the CIA's "purpose" that is controlling--while at least some congressional critics have suggested that if either the CIA or a group receiving CIA funds has the "purpose" of overthrowing the Government of Nicaragua or provoking an exchange with Honduras the statute prohibits assistance to that group. The Washington Post recently reported:

> Chairman Michael D. Barnes (D-Md.) of the House Foreign Affairs subcommittee on Latin America, said CIA attorneys argue that continued spending is legal because the "purpose" of the U.S. agencies supplying money and weapons to the insurgents is not to overthrow the Nicaraguan regime, even if the purpose of the guerrillas who receive the support is to do so. "Not a jury in the country would accept this, and the House will not accept it," said Barnes.[73]

A similar intepretation was given by New York Times columnist Tom Wicker, who wrote:

> Whether the goal is to overthrow the Sandinists or merely make them more amenable to Reagan Administration pressures is not so clear.
>
> . .
>
> Either way, the C.I.A. operation appears to be violating the Boland Amendment, which prohibits support of paramilitary forces "with [sic--should read "for"] the purpose" of overthrowing the Nicaraguan Government. Philip Taubman of the Times reports that C.I.A. officials claim they aren't trying to overthrow that Government, hence are observing the letter of the Boland Amendment. That's like saying you're hitting a man with a hammer but not trying to kill him; and it's the kind of sleazy, hair-splitting "deniability" that debases language and credibility alike.[74]

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[73] Wash. Post, April 3, 1983.
[74] New York Times, April 1, 1983.

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The distinction between the CIA's "purpose" and that of the insurgents allegedly being financed and supplied is an important one, because they don't appear to coincide. Consider this report by Washington Post writer Christopher Dickey, who recently spent time with anti-government guerrillas in Nicaragua:

> "The United States is helping us in a way we don't want. They are saying no, no, no to everything. Our men want to do spectacular things," complained one counterrevolutionary political leader outside Nicaragua who was instrumental in setting up our visit. "You have the momentum, and they stop you. It's like an invisible hand holding strings."
>
> As did his men on the ground here, he dismissed the Reagan administration's assertion to Congress that Washington's support for the anti-Sandinistas is intended essentially to cut the Nicaraguan government's arms supplies to insurgents in El Salvador.
>
> "The people who are fighting, they are not fighting to stop the weapons," the counterrevolutionary leader said "We are fighting to liberate Nicaragua."
>
> As [guerrilla leader] Suicide put it here in the middle of the war zone, "we're not going to stop the transport of arms and supplies to the Salvadoran guerrillas or the Guatemalan guerrillas until we cut the head off the Sandinists."[75]

Fortunately, the legislative language is less ambiguous than might at first glance appear to be the case. Particularly when read in context, it is in my view beyond reasonable doubt that Congress was referring to the "purpose" of the CIA and DoD, not the purpose of the individuals and groups receiving assistance from the CIA.

To begin with, the Amendment prohibits the use of certain funds "by the Central Intelligence Agency or the Department of Defense" to furnish certain specified assistance to any "group or individual" "for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras." [Emphasis added.] That is to say, the law prohibits the expenditure of funds "by" the CIA "for" the prohibited purpose. Had the Congress intended to

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[75] Washington Post, April 3, 1983.

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prohibit CIA assistance "to any individual or group which is not a part of a country's armed forces and which is already known by that agency to have the intent of overthrowing the Government of Nicaragua or of provoking a military conflict between Nicaragua and Honduras," it would presumably have so stated. Indeed, immediately before unanimously adopting the Boland Amendment, the House considered and overwhelmingly rejected the language I have just quoted, which had been proposed by Congressman Tom Harkin as a substitute to the Boland Amendment. The key difference between the unanimously approved Boland Amendment and the Harkin substitute (which was defeated by a margin of greater than two to one) was that Boland restricted the CIA's "purpose," while Harkin was triggered by the CIA's knowledge of the "intent" of a paramilitary group or individual.

Accepting this interpretation, it is not legally relevant whether the Government of Nicaragua is in fact eventually overthrown, or an exchange between Nicaragua and Honduras takes place. What matters is the motive or purpose for which the assistance is provided. Assistance provided to pressure Nicaragua to cease its intervention in El Salvador--even if it resulted in the fall of the present regime--would not be unlawful; while assistance given to overthrow that regime, even if totally ineffective or actually counterproductive, would violate the law.

Some congressional critics appear to acknowledge that the "letter" of the Boland Amendment has been followed, but charge that the CIA may be violating its "spirit" by failing to maintain adequate control over the paramilitary forces receiving assistance.[76] Congress may indeed be concerned about the possible consequences of a successful paramilitary effort to overthrow the Sandinistas and the accompanying risks of a conflict between Honduras and Nicaragua--and from both a policy and a political standpoint these considerations may warrant careful attention by administration decision-makers--but as a matter of law it is inappropriate to attach

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[76] "Members of the Senate Intelligence Committee, including Democrats and Republicans, said this week that a majority of senators on the panel think that the C.I.A. has insufficient control over the paramilitary forces that it supports in the region. . . . [They] said that sentiment on the committee runs strongly to the view that the law has been violated in spirit if not in letter." New York Times, April 1, 1983. See also, ibid., March 30, 1983: "Senator Patrick J. Leahy, Democrat of Vermont, visited Central America earlier this year for the Senate intelligence committee. Members who have read a report that Mr. Leahy prepared about his visit said it had left little doubt that the agency, while following the letter of the Boland amendment, was violating its spirit."

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the terms of the rejected Harkin Amendment as baggage to the Boland Amendment. The record shows that the House considered and rejected language which would have prohibited assistance to paramilitary groups intending to overthrow the Nicaraguan government. To suggest that the Harkin Amendment was somehow incorporated into the "spirit" of the Boland Amendment is in my view simply unpersuasive.

Although not legally relevant, it is perhaps worth noting that concerns that the paramilitary contras may succeed in overthrowing the Government of Nicaragua or provoking a conflict between that State and Honduras may be exaggerated. While there have been reports by journalists who have travelled with the contras of significant peasant support for the guerrillas and resentment of the Nicaraguan government,[77] there seems to be little reason to believe victory is in sight. Consider this assessment by a Washington Post reporter from Managua:

> The worries do not seem to be military for the most part. The several thousand counter-revolutionary guerrillas reported to be operating in various zones inside Nicaragua pose little serious challenge to the Sandinistas' 22,000-man conventional army, backed by more than 10,000 trained militia reserves and tens of thousands more volunteer militiamen with rudimentary drill under their belts.
>
> And despite several warnings that Honduras risks war by allowing the antigovernment Nicaraguans to use its territory, Sandinista officials and foreign diplomats say such a conflict is unlikely unless one side or the other makes a severe miscalculation.[78]

Despite the frequent allegations in the press and by some members of the Congress that the Boland Amendment is being violated, I have to date encountered no persuasive evidence that the CIA or the Defense Department is providing assistance to any group for the purpose of overthrowing the Government of Nicaragua or provoking a confrontation with Honduras. Until evidence to that effect can be obtained, I am not prepared to conclude that either the letter or the "spirit" of the Boland Amendment is being violated.

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[77] See, e.g., Washington Post, April 5, 1983 ("In the six days another reporter and I spent traveling through this province with the U.S.-backed soldiers fighting to overthrow the leftist Sandinista government we saw a pattern of support for the contras by people with many grievances against the revolutionary government in Managua.")

[78] Washington Post, March 8, 1983.

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Congreſs of the United States
House of Representatives
Washington, D.C. 20515

2-24

March 24, 1983

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

We are writing to express our deep concern about published reports that thousands of heavily-armed insurgents have entered Nicaragua from Honduras. There have also been press reports of a build-up of Honduran troops along the Nicaraguan border. Leaders from both Nicaragua and Honduras, most recently during an emergency meeting of the United Nations Security Council, have exchanged charges that the other side is about to invade. The climate of heightened tensions and escalating military activity inside Nicaragua raises, we believe, the threat of direct conflict between Nicaragua and Honduras.

Press reports over the past year and a half have suggested that the Central Intelligence Agency has engaged in covert operations against Nicaragua, and that these activities include the support of anti-Sandinista elements based in Honduras. We believe that U.S.-supported anti-Nicaraguan forces may be involved in the current hostilities. If this is the case, we believe this support is a violation of the Boland amendment to the Department of Defense Appropriations bill adopted last December.

As you may recall, the Boland amendment specifically prohibits the funding by the CIA or the Department of Defense of any group or individual for the purpose of overthrowing the government of Nicaragua or of provoking a military exchange between Honduras and Nicaragua. We believe that the current attacks inside Nicaragua are creating a climate in which op[illegible] hostilities between Nicaragua and Honduras are a distinct [illegible]ssibility.

We urge you to act in strict compliance with our domestic legal obligations as well as those embodied in the international charters of the United Nations and the Organization of American States.

~~[illegible]~~ Released on 1/26/88
[illegible] E.O. [illegible]
[illegible]

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The President
March 24, 1983
Page Two

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H5 1201

We support a policy in Central America that seeks reconciliation among opposing forces and minimizes the potential for inter-state conflict. We believe that our national interests lie in promoting peace in the region.

Sincerely,

WILLIAM CLAY, M.C.

GEORGE W. CROCKETT, JR. M.C.

DALE E. KILDEE, M.C.

CHARLES SCHUMER, M.C.

EDWARD FEIGHAN, M.C.

SANDER M. LEVIN, M.C.

Bruce Morrison
BRUCE A. [illegible]RISON, M.C.

PARREN J. MITCHELL, M.C.

George Miller
GEORGE MILLER, M.C.

MARTIN OLAV SABO, M.C.

Bruce Vento
BRUCE F. VENTO, M.C.

DENNIS E. ECKART, M.C.

JIM SLATTERY, M.C.

WILLIAM GRAY, M.C.

SAM GEJDENSON, M.C.

TED WEISS, M.C.

BARNEY FRANK, M.C.

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JIM SHANNON, M.C.

Bill
BILL RATCHFORD, M.C.

GERRY STUDDS, M.C.

ANTHONY C. BEILENSON, M.C.

PETE STARK, M.C.

Barbara Mikulski
BARBARA A. MIKULSKI, M.C.

Tom Downey
TOM DOWNEY, M.C.

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NORMAN DICKS, M.C.

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LEON PANETTA, M.C.

Pat Williams
PAT WILLIAMS, M.C.

Ronald V. Dellums
RONALD V. DELLUMS, M.C.

Ed Markey
ED MARKEY, [illegible]

John Seiberling
JOHN SEIBERLING, M.C.

JULIAN C. DIXON, M.C.

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Tom Harkin
TOM HARKIN, M.C.

Michael D. Barnes
MICHAEL D. BARNES, M.C.

James L. Oberstar
JAMES L. OBERSTAR, M.C.

JIM LEACH, M.C.

RICHARD OTTINGER, M.C.

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Raymond

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THE WHITE HOUSE
WASHINGTON

July 1, 1983

2-38

MEMORANDUM FOR THE SPG PRINCIPALS

SUBJECT: Public Diplomacy (Central America)

The President has underscored his concern that we must increase our efforts in the public diplomacy field to deepen the understanding of and support for our policies in Central America. This effort must focus both on the foreign and domestic audiences. To coordinate this program and to insure that the effort has the appropriate treatment of foreign policy issues, it is essential to designate an overall coordinator who will be responsible for the development and implementation of a public diplomacy strategy concerning Central America.

Secretary Shultz and I have discussed this at some length and have agreed to ask Otto Reich to assume this responsibility for the SPG. He will replace Senator Stone who has assumed other duties. Mr. Reich will focus not only on the developments in Central America but also on the impact that these activities have in Latin America as well as elsewhere overseas and in the United States. For this assignment he will function as the Secretary's advisor and as SPG Coordinator for Public Diplomacy for Central America/Caribbean. Mr. Reich will carry out his responsibilities in the context of the International Political Committee with substantive policy guidance to be provided by established policy making bodies in his field. The Public Affairs and International Information Committees will also play key roles in this overall effort.

Mr. Reich will need staff support, to include officers detailed from appropriate agencies and departments. His office will be established in the Department of State. The Department of State will provide Mr. Reich with appropriate office space, logistic support, operating budget and clerical support.

Mr. Reich's activities should commence immediately. He should keep the SPG regularly informed and should attend all SPG meetings concerning Central America.

Ch. 2
#38

Robert C McFarlane
William P. Clark

4972

~~Partially Declassified~~/Released on 25 Feb 88
under provisions of E.O. 12356
by K. Johnson, National Security Council

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Chapter 2, Footnote 40

2-40

REPORT TO THE COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE

SUBJECT: Conferral of Personal Rank of Ambassador (Foreign Service Act of 1980, Section 302 (a) (2) (B) (ii) and (iii)): Otto J. Reich, Coordinator for Public Diplomacy for Latin America and the Caribbean

In accordance with Section 302 (a) (2) (B) (ii) and (iii) of the Foreign Service Act of 1980, I submit the following report in support of the conferral of the personal rank of Ambassador on Otto J. Reich, Coordinator for Public Diplomacy for Latin America and the Caribbean.

I. The Necessity for Conferring Such Rank

As Coordinator for Public Diplomacy for Latin America and [illegible] the President and the Secretary of State [illegible]

II. The Dates During Which Rank Will Be Held

[illegible] six months beginning [illegible] rank of Ambassador.

III. The Justification for Not Submitting the Proposed Conferral of Personal Rank to the Senate as a Nomination for [illegible]ice and Consent to Appointment

[illegible] conferral [illegible] Mr. Reich. Mr. [illegible] In view of the [illegible] the Secretary [illegible]

IV. The Pertinent Information Concerning the Proposed Recipient of Such Personal Rank [illegible] Reich [illegible]

[illegible] conflict of interest.

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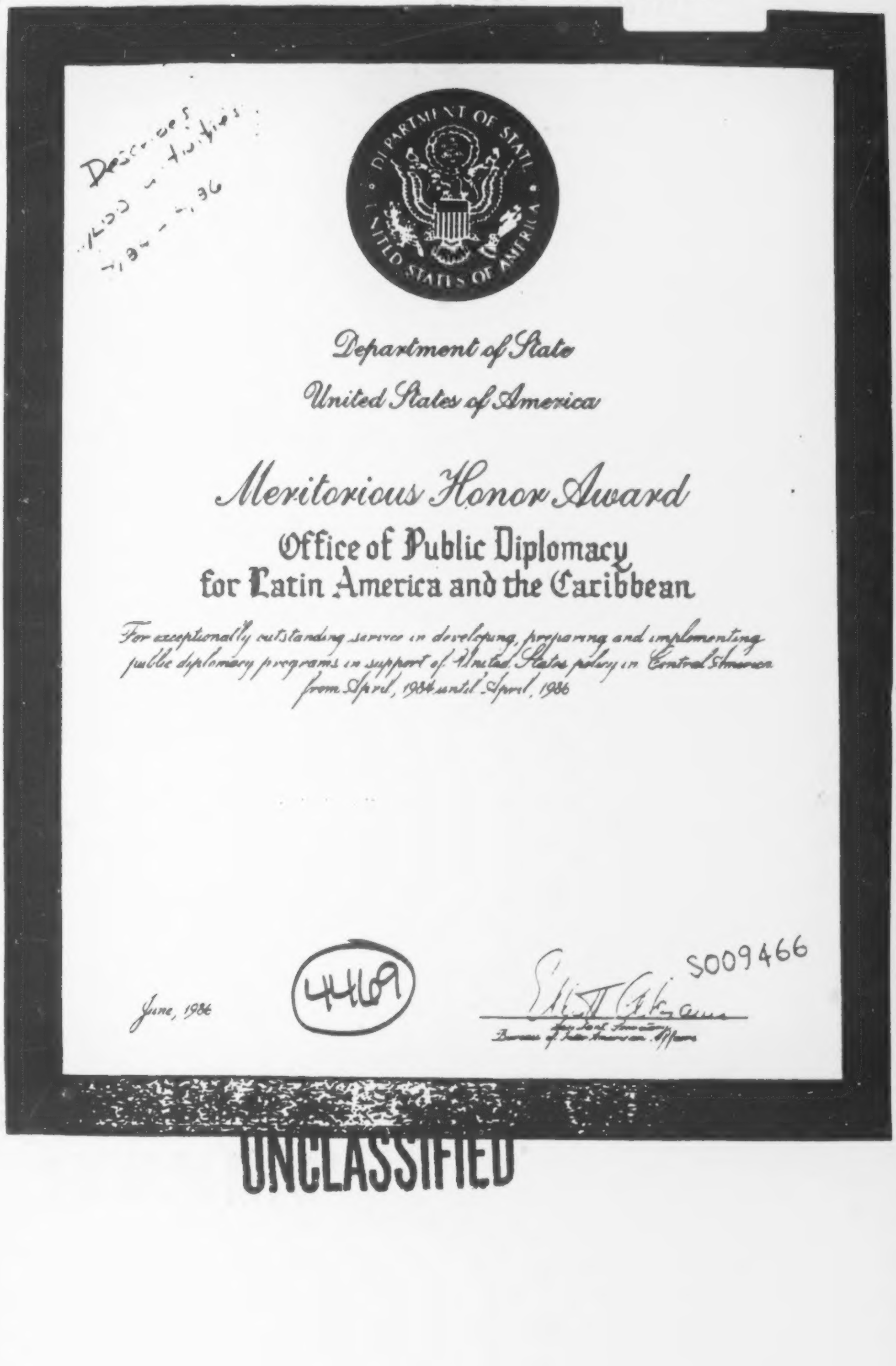
Chapter 2-41 e 41 33



Describes LPD activities 4/84 – 4/86

Department of State

United States of America

Meritorious Honor Award

Office of Public Diplomacy for Latin America and the Caribbean

For exceptionally outstanding service in developing, preparing and implementing public diplomacy programs in support of United States policy in Central America from April, 1984 until April, 1986

June, 1986

4469

S009466

Elliott Abrams
Assistant Secretary
Bureau of Inter-American Affairs

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STATE - AID - USIA **NOMINATION FOR INCENTIVE AWARD** Submit in an original and five (5) copies	DO NOT USE THIS SPACE ☐ STATE ☐ AID ☐ USIA HONOR NO. / CASH NO. DATE REC'D. BY AWARDS COMMITTEE

PART I - NOMINATION

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3. PRESENT POSITION TITLE AND GRADE	4. POSITION HELD DURING PERIOD COVERED BY NOMINATION, IF DIFFERENT THAN PRESENT

5. TYPE OF AWARD RECOMMENDED

☐	A. Secretary's Award	☐	C. Distinguished Honor Award	☒	E. Meritorious Honor Award
☐	B. Award for Heroism	☐	D. Superior Honor Award		

6. BASIS FOR AWARD ☐ A. Special Act ☒ B. Superior Performance	7. ESTIMATED 1ST YEAR TANGIBLE BENEFITS	8. INTANGIBLE BENEFITS	9. RECOMMENDED AWARD

10. JUSTIFICATION FOR NOMINATION (Include a concise 3 or 4 line statement pinpointing the achievement that could be used on the honor award certificate)

For exceptionally outstanding service in developing, preparing, and implementing public diplomacy programs in support of United States policy in Central America from April 1984 to April 1986.

Upon its establishment, the Office of Public Diplomacy for Latin America and the Caribbean (S/LPD) took a vital role in shaping the debate on the USG's Central American policy within the United States and in the international arena. S/LPD is an interagency office whose personnel are contributed by USG foreign affairs agencies, including Department of State, Agency for International Development, United States Information Agency, and the Department of Defense.

Public diplomacy is a new, non-traditional activity for the United States Government. Thus, S/LPD's staff have been pioneers in forging a new tool for the implementation of foreign policy. S/LPD has played a key role in setting out the parameters and defining the terms of the public discussion on Central America policy. Despite the efforts of the formidable and well established Soviet/Cuban/Nicaraguan propaganda apperatus, the achievements of U.S. public diplomacy are clearly visible. When S/LPD began to publicize the facts about the situation in Central America, the public debate was marked by almost total ignorance. Much of the information which was available was simply false, and some of this untrue information had entered the debate through disinformation operations. United States policy, based on a reasonable appreciation of the facts available to [illegible] government, was completely misunderstood, since the public was working from an entirely different viewpoint that was based on the limited and inaccurate information available at the time. S/LPD contributed directly to improvement to the quality and relevance of the public debate by making accurate information available through presentation of unclassified government information, establishment of methods to deelassify intelligence information in a timely manner, and aggressive seeking of intelligence information which could be declassified without damaging other national interests, and dissemination of this material. As a result of S/LPD's efforts, no longer do serious critics of U.S. policy deny that the Sandinistas are providing arms, logistical support, training camps and propaganda support for the Salvadoran guerrillas and other subversive groups in Central America. The Sandinistas defenders and opponents of U.S. policy can no longer credibly present the Sandinistas or the Salvadoran guerrillas as

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(Continue below, if necessary)

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10. JUSTIFICATION FOR NOMINATION (Continued)

democratically oriented "social reformers" as they did only two years ago. S/LPD's dozens of major and hundreds of minor publications, hundreds of press and media interviews, hundreds of public speeches, uncountable quiet behind-the-scenes work with outside support groups, and intelligent selection of arguments and themes for public debate have contributed to the change. These efforts have changed the terms of the policy debate. S/LPD has contributed to the unshackling of the public perception of policy from myths and cant; public debate on Central America now focuses on how best to solve a problem recognized in its basic dimensions by all responsible parties.

The officer personnel of S/LPD contributed by preparing original publications and carrying out the task of distributing them via various mailing lists to journalists, interest groups, selected U.S. Government officials, members and staff of the Congress, and to USIA for overseas distribution. Depending upon their nature and the appropriate audience, distribution has ranged from 6,000 to 80,000 copies of individual publications. Officers presented hundreds of oral briefings to the press, Congressmen and staff, and speeches to public audiences. Hundreds of talking point papers were prepared for high level officials. Special events, such as presentation of a display of captured guerrilla weapons and documents from El Salvador to the President of the United States before the national news media, and the Vice Presidential ceremony commemorating the second anniversary of the Grenada rescue, were also accomplished by S/LPD staffers working with other government agencies. S/LPD officers created, staffed, and executed complex public diplomacy plans to mobilize and coordinate the public diplomacy activities of the major U.S. foreign affairs agencies. These plans directed these agencies in integrated public diplomacy operations as S/LPD performed its most vital function, then totally new to the government, of coordinating the operations of multiple agencies in pursuit of defined public diplomacy goals. As a result S/LPD not only helped create an atmosphere for workable policies, but also helped to implement these policies. S/LPD clearly developed an entirely new methodology as it brought together operations formerly carried on separately. As a result of S/LPD's success in the development of the necessary methodologies, similar operations have been initiated for Southern Africa and for terrorism issues.

S/LPD's secretarial staff made a constant and vital contribution to this success. Because of the large numbers of publications, informal papers, and other documents disseminated to the government, press, and public, the S/LPD secretarial staff had the often grueling task of typing and putting in proper format the drafts of hundreds of formal Department of State publications, briefing papers, and informal communications. These documents frequently had to be retyped time after time as revisions, incorporation of multiple agency clearances, and polishing of drafts were accomplished. Because of S/LPD's policy of responding immediately to misinformation and disinformation in the public media, projects with short deadlines were the rule. Everyone worked under intense pressure. Output was of high quality. Despite the heavy secretarial workload, constant short-notice overtime, and high pressure, morale remained high and the mission was accomplished. The entire staff of S/LPD has earned superior recognition for its dedication and outstanding accomplishments.

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(If necessary, use additional sheets and staple them to this form)

11. NOMINATING AND CLEARANCE OFFICIALS

A. Typed Name	B. Title	C. Location	D. Signature	E. Date
1. John D. Blacken	Deputy Coordinator	S/LPD	John D Blacken	5/14/86
2. Otto J. Reich	Coordinator	S/LPD		5/15/86
3.				

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S/LPD Staff Included
in
Superior Performance
Meritorious Honor Award

Janice Barbieri
Ellen Bork
Gloria Bowman
Mary Catherine English
Antonia M. Greenman
Barbara K. Hambrick
Stephen C. Johnson
Margarita T. Labrada
Lattice I. McNeil
Shirley T. Powell
Brenda Watkins
Jami Ann Yacob
Johnathan Miller

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PART II - ACTION TAKEN BY JOINT CO[illegible]

1. THIS COMMITTEE RECOMMENDS THAT THE NOMINATION BE: ☐ [illegible] ☐ Disapproved

☐ A. Secretary's Award	☐ C. Distinguished Honor Award	☑ E. Meritorious Honor Award
☐ B. Award for Heroism	☐ D. Superior Honor Award	2. AMT. RECOMMENDED $

3. REMARKS

4. TYPED NAME OF COMMITTEE CHAIRMAN

5. SIGNATURE OF COMMITTEE CHAIRMAN

6. DATE

PART III - ACTION TAKEN BY CHIEF OF MISSION

1. I RECOMMEND THAT THE NOMINATION BE: ☐ Approved ☐ Disapproved

2. REMARKS

3. TYPED NAME OF CHIEF OF MISSION

4. SIGNATURE OF CHIEF OF MISSION

5. DATE

PART IV - ACTION TAKEN BY AREA AWARDS COMMITTEE

1. THIS COMMITTEE RECOMMENDS THAT THE NOMINATION BE: ☑ Approved for the following award(s) ☐ Disapproved

☐ A. Secretary's Award	☐ C. Distinguished Honor Award	☑ E. Meritorious Honor Award
☐ B. Award for Heroism	☐ D. Superior Honor Award	2. AMT. RECOMMENDED $

3. REMARKS

S609 470

4. TYPED NAME OF COMMITTEE CHAIRMAN
Mr. Richard [illegible]

5. SIGNATURE OF COMMITTEE CHAIRMAN

6. DATE 6/2/86

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1. I RECOMMEND THAT THE NOMINATION BE:	☑ Approved ☐ Disapproved	2. REMARKS

UNCLASSIFIED

3. TYPED NAME OF APPROPRIATE OFFICIAL Mr. Louis Schwartz, Director ERA/FY	4. SIGNATURE OF APPROPRIATE OFFICIAL	5. DATE 6/10/80

PART VI - ACTION TAKEN BY WASHINGTON INCENTIVE AWARDS COMMITTEE

1. THIS COMMITTEE:
☐ Approves the nomination for the following award(s)
☐ Disapproves the nomination

☐ A. Secretary's award ☐ B. Award for Heroism ☐ C. Distinguished Honor Award

2. AMT. APPROVED	3. REMARKS

4. Signature	Approved	Disapproved	Date

Use This Space For Continuation of Items, As Necessary

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Chapter 2, Footnote 42

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United States Department of State

Washington, D.C. 20520

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June 25, 1985

outgoing chron
~~Administration~~
-Budget ✓

MEMORANDUM

TO: S/S-EX - Mr. George F. Twohie

FROM: S/LPD - Frank Gardner

SUBJECT: Current Program of S/LPD

As a supplement to my memorandum of June 21, this is additional information on some of the most notable accomplishments of S/LPD over the last twelve months:

The Office of Public Diplomacy for Latin America and Caribbean (S/LPD), headed by a Coordinator whose rank is equivalent to that of an Assistant Secretary, published three major documents in conjunction with the Department of Defense in support of the President's program:

A 600-page book entitled, "Grenada Documents: An Overview and Selection;"

A 45-page booklet entitled, "The Soviet-Cuban Connection in Central America and the Caribbean;"

A 40-page booklet entitled, "The Sandinista Military Build-up."

S/LPD also published eight other documents on its own, most notable of which were:

A 31-page booklet entitled, "Broken Promises: Sandinista Repression of Human Rights in Nicaragua;"

A 23-page pamphlet entitled, "Misconceptions About U.S. Policy toward Nicaragua."

The [illegible]lications averaged about 15,000 copies each and were dissemin[illegible] to persons interested in spreading the President's message [illegible] the public, the media, and the Congress.

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Chapter 2, Footnote 44

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United States Department of State

Washington, D.C. 20520

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March 13, 1985

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY F. Smith DATE 5-16
RDS☐ or XDS☐ EXT. DATE ________
TS AUTH. ________ REASON(S) ________
ENDORSE EXISTING MARKINGS ☐
DECLASSIFIED ☑ RELEASABLE ☐
RELEASE DENIED ☐
PA or FOI EXEMPTIONS ________

~~CONFIDENTIAL~~/EYES ONLY

TO: Mr. Pat Buchanan
Assistant to the President and
Director of Communications
The White House

FROM: S/LPD - Johnathan S. Miller

SUBJECT: "White Propaganda" Operation

Five illustrative examples of the Reich "White Propaganda" operation:

- Attached is a copy of an op-ed piece that ran two days ago in The Wall Street Journal. Professor Guilmartin has been a consultant to our office and collaborated with our staff in the writing of this piece. It is devastating in its analysis of the Nicaraguan arms build-up. Officially, this office had no role in its preparation.

- In case you missed last night's NBC News with Tom Brokaw, you might ask WHCA to call up the Fred Francis story on the "Contras." This piece was prepared by Francis after he consulted two of our contractors who recently had made a clandestine trip to the freedom fighter camp along the Nicaragua/Honduras border (the purpose of this trip was to serve as a pre-advance for many selected journalists to visit the area and get a true flavor of what the freedom fighters are doing; i.e., not baby killing). Although I wasn't wild about the tag line, it was a positive piece.

- Two op-ed pieces, one for The Washington Post and one for The New York Times, are being prepared for the signatures of opposition leaders Alphonso Rubello,

~~Partially~~ Declassified/Released on 1/25/89
under provisions of E.O. 12356
by B. Reger, National Security Council

~~CONFIDENTIAL~~
~~Decl: OADR~~

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~~CONFIDENTIAL~~

Adolpho Callero and Arturo Cruz. These two op-ed pieces are being prepared by one of our consultants and will serve as a reply to the outrageous op-ed piece by Daniel Ortega in today's New York Times.

- Through a cut-out, we are having the opposition leader Alphonso Rubello visit the following news organizations while he is in Washington this week: Hearst Newspapers, Newsweek Magazine, Scripps Howard Newspapers, The Washington Post (Editorial Board), and USA Today. In addition, the CNN "Freeman Report," the "McNeil-Lehrer Report," the "Today Show" and CBS Morning News have been contacted about the availability of Mr. Rubello.
- Attached is a copy of a cable that we received today from Managua. The cable states that Congressman Lagomarsino took up Daniel Ortega's offer to visit any place in Nicaragua. You may remember that Ortega received a good deal of publicity on his "peace" proposal when he stated that he welcomed visits by Members of Congress, stating that they would be free to go anywhere they wished. As the cable notes, the Congreman's request to visit an airfield was denied. Do not be surprised if this cable somehow hits the evening news.

I will not attempt in the future to keep you posted on all activities since we have too many balls in the air at any one time and since the work of our operation is ensured by our office's keeping a low profile. I merely wanted to give you a flavor of some of the activites that hit our office on any one day and ask that, as you formulate ideas and plans of attack, you give us a heads-up since our office has been crafted to handle the conce[illegible] that you have in getting the President's program for [illegible] freedom fighters enacted.

Attachments:

1. Op-ed piece by Professor Guilmartin.
2. 85 Managua 1523.

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The Wall Street Journal
March 11, 1985
Editorial Section, Page 28

Nicaragua Is Armed for Trouble

By John F. Guilmartin Jr.

Remember last year's controversy over the alleged delivery of MiG fighters to Nicaragua? Once it was established that what actually had been delivered were helicopters and not MiGs, almost no one bothered to ask what 12 fast, sophisticated, well-armed, long-range helicopter gunships could do to the armed forces of Central America or what their arrival might represent in terms of Sandinista strategy.

Shortly before the U.S. elections, media reports surfaced of a Soviet freighter bound from the Black Sea with a cargo of large boxes that, according to reconnaissance satellites, included those of a type used to ship jet fighter aircraft. Though reports were equivocal, concern mounted about the cargo and its destination. The most likely candidate was supersonic MiG-21s: High-technology warning bells went off in U.S. news rooms.

As the ship neared Nicaragua's Pacific port of Corinto (and as the U.S. election neared) speculation ran at fever pitch.

The bubble of fevered speculation burst with an anticlimactic "pop" when Sandinista Foreign Minister Miguel d'Escoto announced, in a statement more or less confirmed by official U.S. spokesmen, that the crates contained not MiGs, but other arms including helicopters. The news was all the more anticlimactic because an earlier shipment of Soviet helicopters apparently had been unloaded, all but unremarked, on Nicaragua's Atlantic coast the previous week. The helicopters were Mi-24 "Hinds," the world's most heavily armed, sophisticated and fastest gunships. It is likely the second shipment of crates contained additional Hinds. The copters received scant attention, as did the possibility that the crates might also contain [illegible] L39Z jet trainers. The U.S. [illegible] in the Reagan administration [illegible] an almost audible sigh of re[illegible]

They Looked Fo[illegible]

their power and rotor blades of lift, making helicopter operations a marginal proposition, particularly in summer. Forced by limited power to fly low along valleys, helicopters are vulnerable to plunging fire from the peaks and ridgelines above. Afghanistan is not a fair test for the Hind.

But over rolling jungle terrain at low altitudes, the Hind is in its element. Its impressive underwing ordnance (it can carry in excess of 2,800 pounds of 57-mm rockets, bombs and precision-guided antitank missiles) and its sophisticated turret-mounted rotary 12.7-mm gun make it a flexible and thoroughly capable weapons system. Its fire-control system is both sophisticated and reliable. Unlike Western gunships, it can carry from six to eight troops.

Pitted against the feeble or nonexistent antiaircraft defenses of the anti-communist Central American powers, the Hind represents an awesome capability, with or without top cover from MiGs. Flying low beneath the thin radar net and hugging the terrain, it can slip into neighboring countries with impunity. It can attack patrols and border posts with surgical precision, going as slow as necessary to do the job.

The media have focused on the icing—the MiGs—and missed the fact that a Soviet-style offensive arms cake has been baked beneath our noses.

In the down and dirty game of slipping across a border, bagging a Honduran or Salvadoran C-47, and slipping back, all underneath radar coverage and hence undetected, the Mi-24 would be supreme. Distances are short in Central America and

other armored vehicles spearheading an army larger than that of any of its neighbors, augmented by a sophisticated ground-based antiaircraft system, boasting SAM-7s, radar-directed 57-mm guns and highly mobile ZSU 23-4s, the implications of their arrival in Nicaragua are chilling. With the delivery of high-performance MiGs for top cover and deep interdiction strikes, the classic Soviet-style blitzkrieg package will be complete.

In all of this, we have missed something important. It is not that acceptance by the U.S. media, if not the Reagan administration, of the delivery of jet trainers and helicopters to Nicaragua has established a precedent for the subsequent delivery of MiGs. That is valid as far as it goes. The real point is twofold: The L39Zs and Mi-24s, particularly the latter, represent a major threat in themselves. Second, their arrival must be viewed as one more piece of a greater puzzle, the formation in Central America of a classic Soviet-style offensive combined arms team. And make no mistake: The Soviet doctrinal model, which the Sandinistas are clearly following, is inherently offensive in nature.

The initial MiG statement by U.S. aides came on Nov. 2. By Nov. 12, the Sandinista ambassador to Spain, Orlando Castillo, told reporters his government's position: No, Nicaragua did not have MiGs—yet. Yes, it had every intention of obtaining some as soon as it could—for self-defense! Thus the impending arrival of the last piece of the puzzle was announced.

Effective for Offense

Now, four months later, as we wait for the other shoe to drop, we are confronted by the release of a report last week by the Council on Hemispheric Affairs assuring us that the Sandinista buildup is intended only to counter a feared U.S. invasion and—an essential corollary—that it is defensively oriented. [illegible]

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Comptroller General
of the United States
Washington, D.C. 20548

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B-229069

2-47 to 49

September 30, 1987

The Honorable Jack Brooks
Chairman, Committee on
Government Operations
House of Representatives

The Honorable Dante B. Fascell
Chairman, Committee on
Foreign Affairs
House of Representatives

Dear Mr. Chairmen:

This responds to your joint letter of March 31, 1987, requesting this Office to conduct an investigation and render a legal opinion on the legality and propriety of certain activities of the Office for Public Diplomacy for Latin America and the Caribbean (S/LPD) of the Department of State. Subsequent discussion with your staff limited the scope of the legal opinion to the issues of alleged lobbying and the development and dissemination of propaganda from 1984 to the present.

We conducted a review to develop the facts regarding the lobbying and propaganda issues, which consisted of interviews of knowledgeable individuals and a search of the S/LPD files. As a result of our review, we conclude that S/LPD's activities involving the preparation and dissemination of certain types of information violated a restriction on the use of appropriated funds for publicity or propaganda purposes not authorized by the Congress. We do not believe, however, that available evidence will support a conclusion that the applicable antilobbying statute has been violated. We are presently continuing a review of certain other S/LPD activities, and will keep you informed of our progress on a periodic basis.

THE PROPAGANDA ISSUE

According to Ambassador Otto J. Reich, who directed S/LPD from 1983 until 1986, the Office of Public Diplomacy for Latin America and the Caribbean was established within the Office of the Secretary of State in 1983 to engage in a campaign to influence the public and the Congress to support increased funding for the Administration's Central American policy. In pursuit of its public diplomacy mission, S/LPD used its own staff, and let a number of contracts with

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outside writers, for articles, editorials and op-ed pieces in support of the Administration's position. Generally, S/LPD employed direct and overt methods in using the media to favorably influence the public to support the Administration's Central American Policy. However, information developed during the course of our investigation demonstrates that, on occasion, S/LPD also arranged for the publication of articles which purportedly had been prepared by, and reflected the views of, persons not associated with the government but which, in fact, had been prepared at the request of government officials and partially or wholly paid for with government funds.

For example, S/LPD arranged for a university professor, who was also paid as a consultant to S/LPD, to write a newspaper article in support of the Administration's Central America policy without alerting readers or, apparently, the newspaper that the government was involved. S/LPD described this technique in a March 12, 1985, internal memorandum to another Department of State office. Attached to that memorandum was an op-ed article entitled "Nicaragua is Armed for Trouble," which was ostensibly written exclusively by Professor John Guilmartin of Rice University, and published in the March 11, 1985 issue of the Wall Street Journal. The memorandum states that "Professor Guilmartin, who is a consultant to our office, and the Public Diplomacy staff worked extensively on this piece." However, the published article lists the author solely as John F. Guilmartin, Jr. and describes him as follows:

> "Mr. Guilmartin is adjunct professor of history at Rice University in Houston. He was formerly a lieutenant colonel in the U.S. Air Force and editor of the Air University Review."

The Guilmartin article was one of five "white propaganda" operations described in a March 13, 1985, memorandum from S/LPD to the Assistant to the President and Director of Communications. The memorandum stated the following about the article:

> "Attached is a copy of an op-ed piece that ran two days ago in The Wall Street Journal. Professor Guilmartin has been a consultant to our office and collaborated with our staff in the writing of this piece. It is devastating in its analysis of the Nicaraguan arms build-up. Officially, this office had no role in its preparation."

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The memorandum also described as follows the use of consultants to write op-ed pieces for Nicaraguan opposition leaders:

> "Two op-ed pieces, one for The Washington Post and one for The New York Times, are being prepared for the signatures of opposition leaders Alphonso Rubello, Adolpho Callero and Arturo Cruz. These two op-ed pieces are being prepared by one of our consultants and will serve as a reply to the outrageous op-ed piece by Daniel Ortega in today's New York Times."

A third item in the memorandum describes the use of a "cut-out" to arrange visits to various news media by a Nicaraguan opposition leader. Although the term is not defined, it appears to reflect an intention to hide the fact that the opposition leader's visits were being arranged by the government. The closing paragraph of the memorandum explains that S/LPD will not communicate its activities on a regular basis to the Director of Communications in part because "the work of our operation is ensured by our office's keeping a low profile."

The memorandum, which is enclosed with this opinion, was initially classified by the Department of State as "Confidential." Following our request, it was declassified by the Department on September 10, 1987. Three other documents similarly were declassified following our request.

The use of appropriated funds by the Department of State for certain types of publicity and propaganda is prohibited. Section 501 of the Departments of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act, 1985, Pub. L. No. 98-411, August 30, 1984, 98 Stat. 1545, which provided fiscal year 1985 funding for the Department of State, reads as follows:

> "Sec. 501. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress."

The legislative history of section 501 is silent as to the intended effect of the restriction. See H.R. Rep. No. 197, 99th Cong. 1st Sess. 90 (1985). This Office has had numerous occasions in the past to interpret language similar to section 501. We have held that such a provision prohibits the use of federal funds for two distinct types of publicity and propaganda activities.

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First, it prohibits "self-aggrandizement" activities on the part of a federal agency, which have been described by our Office as publicity activities of a nature tending to emphasize the importance of the agency or activity in question. 31 Comp. Gen. 311, 313 (1952), B-212069, October 6, 1983. Self-aggrandizement is not an issue in the present situation.

Second, we have construed the language of section 501 as prohibiting covert propaganda activities of an agency, which is the issue involved in the situations described above. In our decision B-223098, October 10, 1986, we held that editorials in support of a proposed reorganization of the Small Business Administration (SBA) prepared by SBA for publication as the ostensible editorial position of newspapers to which the editorials were submitted, were misleading as to their origin and reasonably constituted "propaganda" within the common understanding of that term.

We conclude that the described activities are beyond the range of acceptable agency public information activities because the articles prepared in whole or part by S/LPD staff as the ostensible position of persons not associated with the government and the media visits arranged by S/LPD were misleading as to their origin and reasonably constituted "propaganda" within the common understanding of that term. Therefore, under the rationale enunciated in B-223098, supra, these activities violated the "publicity and propaganda" prohibitation of section 501.

We have been unable to estimate the amount of effort and funds expended on covert propaganda operations. Materials contained in S/LPD files indicate that covert propaganda operations were conducted on several other occasions and were not separated from routine legitimate activities. In view of the difficulty in determining the exact amount expended illegally, as well as the identity of any particular voucher involved, we conclude that it would not be appropriate in these circumstances to attempt recovery of the funds improperly expended. We recommend that the Department of State take action to insure that violations of appropriations restrictions contained in section 501 do not occur in the future.

THE LOBBYING ISSUE

The S/LPD staff carried on many activities designed to influence the public and the Congress to support the Administration's Central American policy, in keeping with the purpose for which S/LPD was established. Ambassador Reich gave a briefing to the Secretary of State

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in which he explained that S/LPD's objective in attempting to influence Congress was:

> "To gain sufficient bipartisan support in Congress to permit approval of increased assistance, economic and military, to Central America and to preclude crippling restrictions on actions in support of U.S. policy objectives in the region."

Sometime in 1983, S/LPD developed a close working relationship with a public interest group entitled "Citizens for America" (CFA). CFA is a nationwide grass roots organization engaged in lobbying and fund raising activities on behalf of Nicaraguan Contra causes. CFA has its headquarters in Washington, D.C. and is organized into regions and local district committees throughout the country, which are staffed with volunteer workers. Volunteers receive periodic instructions from CFA's Washington headquarters, when legislative action is scheduled in the Congress, to call and write members of Congress, to write letters-to-the-editor and op-ed pieces, and call in and appear on radio talk shows in support of the Administration's policy on Central America.

On March 4, 1984, the Chairman of CFA wrote the Secretary of State informing him of the details of his grass roots lobbying effort in support of the Administration's policy. Ambassador Reich, then head of S/LPD, prepared a draft response letter to the Chairman for the Secretary to sign. In the transmittal memo, Ambassador Reich described the close working relationship between CFA and S/LPD as follows:

> "Citizens for America has been carrying out a public education campaign on Central America.
>
> "Our office has a very good working relationship with Citizens for America and has provided CFA with a great deal of information.
>
> "A word of encouragement and appreciation from you would go a long way toward letting CFA know we recognize and value their efforts."

Again on July 3, 1984, the CFA Chairman wrote the Secretary of State making the following request:

> "We hope you will be able to contribute a one-page letter to our 'action kit' voicing your support for this vital aid and your feeling that Congress must address the issue this summer.

> "This request is urgent. Your contribution will mean more op-ed pieces, letters to the editor, calls to Congressmen, and radio and television interviews -- the elements of grass-roots support so vital for effective political action.
>
> "Thanks so much for your help. Anne Barton will be in touch with a member of your staff today to provide any details you might need."

Ambassador Reich prepared a draft response letter for the Secretary of State to sign. The draft letter was not used. Instead, the Office of the Secretary sent Ambassador Reich an extract from a statement by Secretary Shultz before the Subcommittee of Foreign Operations of the House Appropriations Committee on March 16, 1983, and instructed him to reply to the CFA Chairman. We could not locate a copy of Ambassador Reich's reply to CFA.

The annual Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act,1/ under which the Department of State receives its appropriations, does not contain a restriction on the use of such funds for lobbying. The only antilobbying legislation relevant to these circumstances is 18 U.S.C. § 1913, which reads in part as follows:

> "No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business."

Section 1913 further provides for penalties of a fine, imprisonment, and removal from federal service.

1/ See, e.g., Pub. L. No. 98-411, August 30, 1984, 98 Stat. 1545.

Because 18 U.S.C. § 1913 provides for criminal penalties, its interpretation and enforcement is the responsibility of the Department of Justice. This Office may, however, refer appropriate cases of apparent violations of 18 U.S.C. § 1913 to the Justice Department for prosecution. See, e.g., B-212235(1), November 17, 1983 (Commerce Department publication favoring revision of Export Administration Act referred to Justice). To our knowledge, there has never been a prosecution under this statute. B-217896, July 25, 1985. In addition, only a few court decisions have cited the statute and generally they have not dealt with the question of a violation, but have been concerned with peripheral issues. See, e.g., National Association for Community Development v. Hodgson, 356 F. Supp. 1399 (D.D.C. 1973); American Public Gas Association v. Federal Energy Administration, 408 F. Supp. 640 (D.D.C. 1976). See B-214455, October 24, 1984.

The Department of Justice interprets 18 U.S.C. § 1913 to apply only when funds are spent in a grass roots lobbying effort, where an attempt is made to induce members of the public to contact their representatives in Congress to persuade them to either support or oppose pending legislation. B-216239, January 22, 1985; 63 Comp. Gen. 624, 625-226 (1984).

We note that 18 U.S.C. § 1913 prohibits the use of appropriated funds for printed or written matter intended or designed to influence legislation pending before the Congress. If S/LPD expended any appropriated funds to develop the information provided to CFA, such expenditure might constitute a violation of 18 U.S.C. § 1913. On the other hand, if the information provided CFA was readily available within the Department of State, the expenditure of funds would not have been necessary, and the statute would not have been violated. See B-129874, September 11, 1978. We have not found any evidence indicating that S/LPD expended appropriated funds for such information. The only document found during our investigation that was given to CFA by S/LPD was a copy of testimony presented by the Secretary of State at a congressional hearing and was readily available. Accordingly, we found no evidence that would lead us to conclude that S/LPD violated 18 U.S.C. § 1913 in its relationship with CFA.

SUMMARY AND CONCLUSIONS

S/LPD engaged in prohibited, covert propaganda activities designed to influence the media and the public to support the Administration's Latin American policies. The use of appropriated funds for these activities constitutes a violation of a restriction on the State Department annual appropriations prohibiting the use of federal funds for publicity or propaganda purposes not authorized by the Congress.

S/LPD also developed a close mutually supportive relationship with CFA, a nationwide grass roots organization engaged in lobbying and fund raising activities on behalf of Nicaraguan Contra causes. S/LPD acknowledges giving CFA a great deal of information. However, we have not found any evidence that S/LPD officials violated the applicable antilobbying statute.

Unless you publicly announce its contents earlier, we plan no further distribution until 30 days from the date of this opinion. At that time, we will send copies to interested parties and make copies available to others on request.

Sincerely yours,

Harry R. Van Cleve
for Comptroller General
of the United States

Enclosure

United States Department of State

Washington, D.C. 20520

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FILE COPIED

S 657

March 13, 1985

DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY DATE 9-15-8

RDS ☐ or XDS ☐ EXT. DATE ______

TS AUTH. ______ REASON(S) ______

ENDORSE EXISTING MARKINGS ☐

DECLASSIFIED ☑ RELEASABLE ☐

RELEASE DENIED ☐

PA or FOI EXEMPTIONS ______

~~CONFIDENTIAL~~/EYES ONLY

TO: Mr. Pat Buchanan
Assistant to the President and
Director of Communications
The White House

FROM: S/LPD - Johnathan S. Miller

SUBJECT: "White Propaganda" Operation

Five illustrative examples of the Reich "White Propaganda" operation:

- Attached is a copy of an op-ed piece that ran two days ago in The Wall Street Journal. Professor Guilmartin has been a consultant to our office and collaborated with our staff in the writing of this piece. It is devastating in its analysis of the Nicaraguan arms build-up. Officially, this office had no role in its preparation.

- In case you missed last night's NBC News with Tom Brokaw, you might ask WHCA to call up the Fred Francis story on the "Contras." This piece was prepared by Francis after he consulted two of our contractors who recently had made a clandestine trip to the freedom fighter camp along the Nicaragua/Honduras border (the purpose of this trip was to serve as a pre-advance for many selected journalists to visit the area and get a true flavor of what the [illegible]dom fighters are doing; i.e., not baby killing). [illegible]ough I wasn't wild about the tag line, it was a [illegible]tive piece.

- Two op-ed pieces, one for The Washington Post and one for The New York Times, are being prepared for the signatures of opposition leaders Alphonso Rubello,

1/26/88

E.O. 12356

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Adolpho Callero and Arturo Cruz. These two op-ed pieces are being prepared by one of our consultants and will serve as a reply to the outrageous op-ed piece by Daniel Ortega in today's New York Times.

- Through a cut-out, we are having the opposition leader Alphonso Rubello visit the following news organizations while he is in Washington this week: Hearst Newspapers, Newsweek Magazine, Scripps Howard Newspapers, The Washington Post (Editorial Board), and USA Today. In addition, the CNN "Freeman Report," the "McNeil-Lehrer Report," the "Today Show" and CBS Morning News have been contacted about the availability of Mr. Rubello.

- Attached is a copy of a cable that we received today from Managua. The cable states that Congressman Lagomarsino took up Daniel Ortega's offer to visit any place in Nicaragua. You may remember that Ortega received a good deal of publicity on his "peace" proposal when he stated that he welcomed visits by Members of Congress, stating that they would be free to go anywhere they wished. As the cable notes, the Congreman's request to visit an airfield was denied. Do not be surprised if this cable somehow hits the evening news.

I will not attempt in the future to keep you posted on all activities since we have too many balls in the air at any one time and since the work of our operation is ensured by our office's keeping a low profile. I merely wanted to give you a flavor of some of the activites that hit our office on any one day and ask that, as you formulate ideas and plans of attack, you give us a heads-[illegible] since our office has been crafted to handle the conc[illegible] that you have in getting the President's program for [illegible] freedom fighters enacted.

Attachments:

1. Op-ed piece by Professor Guilmartin.
2. 85 Managua 1523.

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The Wall Street Journal
March 11, 1985
Editorial Section, Page 28

S 11659

Nicaragua Is Armed for Trouble

By John F. Guilmartin Jr.

Remember last year's controversy over the alleged delivery of MiG fighters to Nicaragua? Once it was established that what actually had been delivered were helicopters and not MiGs, almost no one bothered to ask what 12 fast, sophisticated, well-armed, long-range helicopter gunships could do to the armed forces of Central America or what their arrival might represent in terms of Sandinista strategy.

Shortly before the U.S. elections, media reports surfaced of a Soviet freighter bound from the Black Sea with a cargo of large boxes that, according to reconnaissance satellites, included those of a type used to ship jet fighter aircraft. Though reports were equivocal, concern mounted about the cargo and its destination. The most likely candidate was supersonic MiG-21s: High-technology warning bells went off in U.S. news rooms.

As the ship neared Nicaragua's Pacific port of Corinto (and as the U.S. election neared) speculation ran at fever pitch.

The bubble of fevered speculation burst with an anticlimactic "pop" when Sandinista Foreign Minister Miguel d'Escoto announced, in a statement more or less confirmed by official U.S. spokesmen, that the crates contained not MiGs, but other arms including helicopters. The news was all the more anticlimactic because an earlier shipment of Soviet helicopters apparently had been unloaded, all but unremarked, on Nicaragua's Atlantic coast the previous week. The helicopters were Mi-24 "Hinds," the world's most heavily armed, sophisticated and fastest gunship. It is likely the second shipment of crates contained additional Hinds. The copters received scant attention, as did the [illegible] that the crates might also [illegible] L39Z jet trainers. The U.S. [illegible] in the Reagan administration [illegible] an almost audible sigh of relief.

They Looked Foolish

their power and rotor blades of [illegible], making helicopter operations a marginal proposition, particularly in summer. Forced by limited power to fly low along valleys, helicopters are vulnerable to plunging fire from the peaks and ridgelines above. Afghanistan is not a fair test for the Hind.

But over rolling jungle terrain at low altitudes, the Hind is in its element. Its impressive underwing ordnance (it can carry in excess of 2,800 pounds of 57-mm rockets, bombs and precision-guided antitank missiles) and its sophisticated turret-mounted rotary 12.7-mm gun make it a flexible and thoroughly capable weapons system. Its fire-control system is both sophisticated and reliable. Unlike Western gunships, it can carry from six to eight troops.

Pitted against the feeble or nonexistent antiaircraft defenses of the non-communist Central American powers, the Hind represents an awesome capability, with or without top cover from MiGs. Flying low beneath the thin radar net and hugging the terrain, it can slip into neighboring countries with impunity. It can attack patrols and border posts with surgical precision, going as slow as necessary to do the job.

The media have focused on the icing—the MiGs—and missed the fact that a Soviet-style offensive arms cake has been baked beneath our noses.

In the down and dirty game of slipping across a border, bagging a Honduran or Salvadoran C-47, and slipping back, all underneath radar coverage and hence undetected, the Mi-24 would be supreme. Distances are short in Central America and

tive armored vehicles spearheading an army larger than that of any of its neighbors, augmented by a sophisticated ground-based antiaircraft system, boasting SAM-7s, radar-directed 57-mm guns and highly mobile ZSU 23-4s, the implications of their arrival in Nicaragua are chilling. With the delivery of high-performance MiGs for top cover and deep interdiction strikes, the classic Soviet-style blitzkrieg package will be complete.

In all of this, we have missed something important. It is not that acceptance by the U.S. media, if not the Reagan administration, of the delivery of jet trainers and helicopters to Nicaragua has established a precedent for the subsequent delivery of MiGs. That is valid as far as it goes. The real point is twofold: The L39Zs and Mi-24s, particularly the latter, represent a major threat in themselves. Second, their arrival must be viewed as one more piece of a greater puzzle, the formation in Central America of a classic Soviet-style offensive combined arms team. And make no mistake: The Soviet doctrinal model, which the Sandinistas are clearly following, is inherently offensive in nature.

The initial MiG statement by U.S. aides came on Nov. 2. By Nov. 18, the Sandinista ambassador to Spain, Orlando Castillo, told reporters his government's position: No, Nicaragua did not have MiGs—yet. Yes, it had every intention of obtaining some as soon as it could—for self-defense. Thus the impending arrival of the last piece of the puzzle was announced.

Effective for Offense

Now, four months later, as we wait for the other shoe to drop, we are confronted by the release of a report last week by the Council on Hemispheric Affairs assuring us that the Sandinista buildup is intended only to counter a feared U.S. invasion and—an essential corollary—that it is of-

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Department of State

INCOMING TELEGRAM

[illegible]

SUBJECT: [illegible] MILITARY INSTALLATIONS

REF: STATE [illegible]

1. [illegible]

2. [illegible]

[illegible]

[illegible]

[illegible] [redacted] [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

S 11660

~~Partially Declassified~~/[illegible] 4/26/88 under [illegible] by B. [illegible]

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Chapter 2, Footnote 50

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Given to [redacted] on 8 Aug

THE JOINT STAFF

15028

MEMORANDUM FOR THE DEPUTY DIRECTOR ~~FOR OPERATIONS,~~ of Central Intel
~~CENTRAL INTELLIGENCE AGENCY~~

2-50

Subject: DOD Support for DCI (S)

1. (TS) We have evaluated your request for [redacted] needed to support the Nicaraguan resistance effort as directed by the 12 July 1983 Presidential Memorandum. Although DOD has the capability to provide this type support, there are still two major obstacles--legal authority and funding.

2. (TS) The Office of the General Counsel, OSD, has advised that there is now insufficient legal authority for DOD to provide the requested support. However, they anticipate a new Presidential Finding, expected to be issued in September, will provide necessary authority. We must wait until that Finding is issued before we can proceed.

3. (S) Funding is a separate problem the new Presidential Finding may not completely resolve. DOD must still comply with established statues pertaining to use of funds and reimbursement for support provided another agency of the government. Please provide us your funding proposal and any recommendations you may have on how to legally solve this problem.

4. (S) Our people are working with yours to be operationally ready to implement the program immediately after the new Presidential Finding is issued. If we can get the funds issue resolved, we should be able to meet that goal. Your expeditious response is required to prevent any further delay.

[illegible] on 4 Feb 88 E.O. 12356 [illegible] Security Council

MFR: COPY OF THIS WAS GIVEN TO [redacted] HE USED IT TO PREPARE A MEMO FROM DUSD(P) TO DDCI. ISSUE WAS OBE BEFORE IT WAS SIGNED OUT.

[redacted]

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DECLASSIFY ON OADR

WORKING PAPER

LAWYERS: Bob [illegible]
CIA George Clark

4473

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1

[illegible] SHEET

TO: CJCS

[redacted]

CLASSIFICATION: TOP SECRET

FOR USE BY ORIGINATOR

THRU: DJS

Ops Regs have been [illegible] to this.

15029

[redacted]

FOR USE BY OCJS ONLY

OJSM NO

OJSM DATE

ACTION

X APPROVAL

X SIGNATURE

INFORMATION

[redacted]

SUBJECT:

DOD Support for DCI [redacted] (S)

REMARKS

1. (TS) A 12 July 1983 Presidential Memorandum directed the Department of Defense to provide maximum possible assistance to the Director of Central Intelligence for improving support to the Nicaraguan resistance forces. [redacted] from DOD. Subsequent meetings and staffing better defined and refined the list. JCS nickname for the project is [redacted]

2. (TS) A preliminary cost and readiness impact analysis was accomplished based on inputs from the Services and Joint Staff. Total cost of DCI requested assistance is [redacted] The most serious readiness impact involves [redacted] Specific cost and readiness impact data for each item are contained in the enclosure. Initial analysis indicates we can provide the support.

3. (S) Two major issues, legal authority and funding, are not yet resolved. The Office of the General Counsel, DOD, has advised* there is now insufficient legal authority for DOD to provide the requested support. However, they anticipate a new Presidential Finding, expected to be issued in September, will provide necessary authority. Although we may continue planning and coordination, the requested support cannot be provided until the new Finding is issued and policy approval is obtained.

4. (TS) The funding problem must be attacked separately. We are working with your legal assistant, DOD General Counsel, CIA lawyers and DUSD(P) to find a legal way for DOD to provide this support even if CIA cannot reimburse for it. The initial informal response indicates a legal method can probably be found based on wording in the new Presidential Finding.

Partially Declassified/Released on 1/26/89
under provisions of E.O. 12356
by B. Reger, National Security Council

CLASSIFIED BY Dir [redacted]
DECLASSIFY ON OADR

4474

ACTION OFFICER

[redacted]

COORDINATION/APPROVAL

OFFICE	NAME & DATE	EXTENSION	OFFICE	NAME & DATE	EXTENSION
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

DATE OF PREPARATION: 24 Aug 83

CLASSIFICATION: TOP SECRET

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JCS FORM 9 SEP 81

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[redacted]

3 15000

5. (S) In the meantime, we need to continue staffing and be ready to implement as soon as the new Presidential Finding is issued. We are continuing to work operational details with [redacted] and the Services. We need a formal chop from each of the Service Chiefs to insure we have their support and agreement on a funding plan if DOD has to provide [redacted] The proposed memorandum contains details and our recommendations.

6. (U) Request you sign the attached memorandum informing the Service Chiefs of our proposal and requesting their concurrence and comments.

Reference:
* Under Secretary of Defense memo, 19 Aug 1983, "DoD Support for DCI (S)"

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SENSITIVE

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THE JOINT CHIEFS OF STAFF
WASHINGTON D.C. 20301

3 15331

6 September 1983

SAD 380-83

MEMORANDUM FOR: Chief of Staff, US Army
Chief of Naval Operations
Chief of Staff, US Air Force
Commandant of the Marine Corps

Subject: DOD Support for the DCI (S)

1. (TS) A 12 July 1983 Presidential Memorandum directed the Department of Defense to provide maximum possible assistance to the Director of Central Intelligence in improving support to the Nicaraguan resistance forces. The Office of the General Counsel, DOD, ruled that sufficient legal authority for DOD to provide the support does not presently exist. However, they anticipate a new Presidential Finding, scheduled to be issued in mid-September, will provide necessary authority. Nickname for the project is [redacted]

2. (S) A summary of specific assistance requested by CIA is enclosed. The Service responsible for action to provide each individual item is indicated. Your staffs have been very responsive and are providing outstanding support.

3. (TS) We do not anticipate any problems concerning the War Powers Resolution. CIA has assured us [redacted] However, as detailed planning is completed, each activity will again be reviewed for compliance with legal requirements on a case by case basis.

4. (TS) Preliminary estimates developed by our combined staffs indicate the support requested by DCI will cost [redacted] Initial costs will have to come from present DOD funds. [illegible] will seek reimbursement through appropriate channels but probability for success is questionable. In either case legal funding restrictions will be met.

[illegible] ased on 1/24/87
[illegible] E.O. 12356
[illegible] Security Council

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5. (S) To distribute the impact of this unscheduled requirement, request [redacted] Most of the support will be in FY[redacted] However, my staff will work with yours to take advantage of using FY[redacted] or FY[redacted] funds as most appropriate in your present situation. We plan to establish a separate account for this project with one Service designated as executive agent. Your funds can then be transferred into this account as need arises throughout FY[redacted]

6. (S) I solicit your personal support to be ready to implement actions immediately upon issue of the new Presidential Finding. Request your concurrence and comments by 9 September 1983. OJCS point of contact is [redacted] Because of the sensitivity of the program, request you work it only in the [redacted] and on a strict need-to-know basis.

John W Vessey

JOHN W. VESSEY
General, USA
Chairman

Attachment
a/s

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15003

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SPECIFIC REQUESTS

These [redacted] and associated data summarize the status of the DCI request for DOD assistance. They are based on the original request as redefined and refined from inputs and meetings with CIA and Service personnel.

The following guidelines and assumptions were used to evaluate costs, readiness impact and feasibility:

[redacted]

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[illegible] 1/24/01

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4 PAGES

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of Chapter 2, Footnote 50

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Chapter 2
Footnote 51

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by [illegible], National Security Council

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BACKGROUND

[redacted]

- 12 July 83 Presidential Memorandum:

> "The Department of Defense will provide maximum possible assistance to the Director of Central Intelligence in improving support to the Nicaraguan resistance forces."

[redacted]

- Worked with CIA and Services to further define and refine needs
- 19 August 83 DoD General Counsel ruled support illegal
- Will probably be legal with new Presidential Finding
  - -- Mid September
- Nickname [redacted]

2-51

UNCLASSIFIED ~~SECRET SENSITIVE~~ [redacted]

[illegible]

- Briefed to [redacted]
- Cy of last page given to [redacted]
- Orig & cys destroyed

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2 PAGES

D15322 - D15323

of Chapter 2, Footnote 51

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CURRENT STATUS

[redacted]

- LEGAL AUTHORITY
  - -- AWAITING NEW PRESIDENTIAL FINDING
- FUNDING
  - -- MAJOR HURDLE

[redacted]

  - --- REWORKING DRAFT FINDING
- CJCS AND SECDEF NEED TO BE PREPARED TO DISCUSS AND COMMIT IN ADVANCE

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2-52

2 PAGES

D15354 — D15355
OF Chapter 2.
Footnote 52

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MEMORANDUM FOR THE RECORD 15356

Subject: CIA Request for DoD Support (S)

1. (TS) A meeting to better define CIA needs to support* Nicaraguan resistance efforts was held [redacted]
Attendees:

2. (S) Each item of the CIA request was discussed. Current status of each is attached**. Resources are available to support most of this request. However, costs and mission impact must be evaluated for each line item.

3. (S) Additional perceptions and information discussed included.

a. (S) CIA is not sure of what their needs really are. They had to compile this request on very short notice. Consequently, adjustments will be necessary.

b. (S) [redacted]

c. (S) When asked when they want to get started the CIA answer was [redacted]. A support schedule will be developed when policy approval is obtained.

[redacted]

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by P. Roger, National Security Council

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8 PAGES

D15357--D15364

OF CHAPTER 2

FOOTNOTE 52

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2-53

OJCS SUMMARY SHEET

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FOR USE BY ORIGINATOR

CJCS

THRU:

0 15342

DJS

SUBJECT:

DOD Support for DCI (S)

FOR USE BY OOJS ONLY	
DJSM NO	
DJSM DATE	
ACTION	
X	APPROVAL
X	SIGNATURE
	INFORMATION

1. (TS) A 12 July 1983 Presidential Memorandum directed the Department of Defense to provide maximum possible assistance to the Director of Central Intelligence for improving support to the Nicaraguan resistance forces. [redacted] from DOD. Subsequent meetings and staffing better defined and refined this list.

2. (TS) A preliminary cost and readiness impact analysis has been accomplished based on inputs from the Services and Joint Staff. Total cost of DCI requested assistance is [redacted] serious readiness impact involves [redacted] Specific cost and readiness impact data for each item is contained in the enclosure.

3. (TS) Realizing DOD may not be expeditiously reimbursed [redacted] to minimize impact on any one Service is to pro rate responsibility for [redacted] We anticipate being able to procure and schedule requirements so a combination of FY [redacted] and FY [redacted] funds can be used. [redacted]

4. (S) More details involving scheduling, acquisition, training, transfer, funding, and legal issues will have to be worked as we proceed with the program. However, before proceeding any further we need conceptual, policy and funding approval.

5. (U) Request you sign the attached memorandum advising the Services of the DOD tasking and support required from each.

1/26/85

4482

Reference:
* List of Specific Requests

CLASSIFIED BY DIRECTOR [redacted]
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ACTION OFFICER

[redacted]

COORDINATION/APPROVAL

OFFICE	NAME & DATE	EXTENSION	OFFICE	NAME & DATE	EXTENSION
[redacted]			DUSD (P)		
			LL ASST	Corrigan	[redacted]

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DATE OF PREPARATION
28 Jul 83

JCS FORM 9

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JCS SUMMARY SHEET

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CJCS	FOR USE BY ORIGINATOR 15343
THRU:	FOR USE BY ODJS ONLY
	DJSM NO
	DJSM DATE
DJS	ACTION
	X APPROVAL
SUBJECT:	X SIGNATURE
DOD Support for DCI (S)	INFORMATION

1. (TS) A 12 July 1983 Presidential Memorandum directed the Department of Defense to provide maximum possible assistance to the Director of Central Intelligence for improving support to the Nicaraguan resistance forces. [redacted] from DOD. Subsequent meetings and staffing better defined and refined this list.

2. (TS) A preliminary cost and readiness impact analysis has been accomplished based on inputs from the Services and Joint Staff. Total cost of DCI requested assistance is [redacted] The only serious readiness impact involves [redacted] Specific cost and readiness impact data for each item is contained in the enclosure.

3. (TS) Realizing DOD may not be [illegible] reimbursed [redacted] We anticipate being able to procure and schedule requirements so a combination of FY [redacted] and FY [redacted] funds can be used. [redacted]

4. (S) More details involving scheduling, acquisition, training, transfer, ~~and~~ funding, [illegible] will have to be worked as we proceed with the program. However, before proceeding any further we need conceptual, policy and funding approval.

5. (U) Request you sign the attached memorandum advising the Services of the DOD tasking and support required from each. 9/26/84

Reference:
- List of Specific Requests

4483

CLASSIFIED BY DIRECTOR [redacted]
DECLASSIFY ON OADR

ACTION OFFICER	COORDINATION/APPROVAL					
	OFFICE	NAME & DATE	EXTENSION	OFFICE	NAME & DATE	EXTENSION
[redacted]	[redacted]					
DATE OF PREPARATION 25 Jul 83						

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PREVIOUS EDITIONS OF THIS FORM ARE OBSOLETE.

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Chapter 2, Footnote 53

THE JOINT CHIEFS OF STAFF
WASHINGTON, D.C.

- 15344

MEMORANDUM FOR: Chief of Staff, US Army
Chief of Naval Operations
Chief of Staff, US Air Force
Commandant of the Marine Corps

Subject: DOD Support for the DCI (S)

1. (TS) A 12 July 1983 Presidential Memorandum directed the Department of Defense to provide maximum possible assistance to the Director of Central Intelligence in improving support to the Nicaraguan resistance forces. Initial estimates developed by our combined staffs indicate the support requested by DCI will cost [redacted] plus some additional manpower and transportation.

2. (TS) We will seek reimbursement of funds through appropriate channels. However, initial costs will have to come from present DOD funds. To distribute the impact of this unscheduled requirement [redacted] My staff will work with yours to take advantage of using FY[redacted] or FY[redacted] funds as most appropriate in your present situation.

3. (S) Policy approval has been obtained from DUSD(P). CIA has assured us [redacted] As detailed planning is completed, each activity will be reviewed for compliance with legal requirements on a case by case basis.

4. (S) Specific details of the request are enclosed. I solicit your support in moving rapidly to get the initiatives started. Point of contact is [redacted] Because of the sensi[redacted]ty of the program, request you work it only in th[redacted] [redacted] and on a strict need-to-know basis.

1/26/84

Attachment
a/s

4484

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5 PAGES

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of Chapter 2,
Footnote 53

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D 13759

Chapter 2, fn. 55 57

cover sheet

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TOP SECRET

.9 December 1986

WORKING PAPER
DESTROY WHEN NO LONGER NEEDED

D 13760

TOP SECRET

(U) Background Paper for the Director, [redacted]
[redacted]

I. (U) Project [redacted]

II. (U) MAJOR POINTS

A. (TS) [redacted] was the JCS nickname for DOD assistance to the Director Central Intelligence in improving support to the Nicaraguan Resistance Forces.

- The authority for the program was initially a 12 July 1983 Presidential Memorandum and later a 19 September 1983 Presidential Finding.

- Chronology of key events follows:

[redacted]

--- Support was requested on a non-reimbursable basis.

-- [redacted] Program briefed [redacted]

-- 19 August 83 OSD General Counsel ruled support as proposed was illegal. Economy Act required reimbursement.

-- 6 September 83 CJCS asked for concurrence and comments from Service Chiefs.

--- Estimated cost for the program was [redacted]

--- [redacted] (FY [redacted] or FY [redacted] funds).

4486

INTERNAL STAFF PAPER
RELEASE COVERED BY
[redacted]

CLASSIFIED BY [redacted]
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TOP SECRET

[redacted]

CLASSIFIED

SENSITIVE INFORMATION
SPECIAL ACCESS REQUIRED

[redacted]

-- **19 September 83** Presidential Finding on Nicaragua signed.

-- **22 September 83** DUSD(P) memo to CJCS.

--- Sec Def directed military departments to provide the CIA with the maximum possible support in accordance with law and executive order.

--- **CIA will reimburse DOD at the lowest possible rate.**

-- **27 September 83** CJCS memo to Service Chiefs.

--- Conveyed guidance from DUSD(P).

--- Provided Services with revised list of support items. **(TAB B)**

-- **12 October 83** CIA requested adjustments to the list.

[redacted]

[redacted]

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0 13752

[redacted]

-- 1 October 84 Boland Amendment cut off all funds of the CIA, DOD or any other US entity for assistance to the Contras.

B. [redacted]

83-75D 68

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[redacted]

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~~TOP SECRET~~

TOP SECRET

D 13763

[redacted]

--- Indicated the transfer did not violate any legal spending limit on covert operations.

D. To our knowledge, the only DOD equipment transferred and/or purchased for this program were the [redacted]

Program Terminated

APPROVED BY ______________________ Director [redacted]

Prepared by: [redacted]

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[redacted]

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2 PAGES
D-13764 -- D13765
of CHAPTER 2
FOOTNOTE 57

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Chapter 2, Footnote 58

NSC/ISC-40066

THE WHITE HOUSE

WASHINGTON

49238

MEETING WITH NATIONAL SECURITY PLANNING GROUP
DATE: Friday, September 16, 1983
LOCATION: White House Situation Room
TIME: 2:00 a.m. - 3:00 p.m.

2-58

FROM: WILLIAM P. CLARK

I. PURPOSE: To review the new Presidential Finding on Nicaragua with the NSPG prior to soliciting your approval.

II. BACKGROUND: The DCI will present a new Nicaragua finding for consideration by the NSPG (Tab A). This new finding has been extensively reviewed by Defense, State, and the NSC Staff and contains their recommendations. Director Casey has informally discussed the finding with Senator Goldwater and other key senators of the SSCI and language desired by the SSCI has been included.

This new finding will replace the current Nicaraguan finding (Tab B) but will not affect our other Central American activities (Tab C). It specifically includes "symmetry" language, which provides for a cut-off of support for resistance force activities only if the Nicaraguans meet three basic criteria:

-- Cessation of Soviet/Cuban arms transits through Nicaragua;

-- termination of training, command and control, and logistic support for guerrillas in other Central American countries; and

-- amnesty and non-discriminatory participation by all Nicaraguans in the political process.

If you approve the finding, either Friday or this weekend, it will be briefed to the SSCI by the DCI and Secretary Shultz in a closed session next Tuesday, September 20, 1983.

The agenda for the meeting is at Tab D and talking points for your use are provided at Tab E.

III. PARTICIPANTS: NSPG Members.

IV. PRESS PLAN: None.

V. SEQUENCE OF EVENTS: See agenda at Tab D.

cc: Vice President Bush
James A. Baker, III
Edwin Meese, III
Michael K. Deaver

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MEMORANDUM

NATIONAL SECURITY COUNCIL

September 15, 1983

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ACTION

2-59

MEMORANDUM FOR WILLIAM P. CLARK

N 49255

FROM: KENNETH DeGRAFFENREID
OLIVER L. NORTH

SUBJECT: NSPG Meeting on Covert Action in Nicaragua

The President will chair an NSPG meeting tomorrow, Friday, September 16, 1983, from 2:00 p.m. to 3:00 p.m. The meeting is to review the new Nicaraguan Finding prior to submission to the President for approval.

The proposed Finding (Tab A) replaces the current Finding of December 1, 1981 (Tab B) and addresses only activities affecting Nicaragua; not other Central American actions contained in the Central American Finding of March 1981 (Tab C). The proposed Finding has been thoroughly scrubbed by State, DOD, and NSC. Walt Raymond and Al Sapia-Bosch have provided input designed to improve its chances for Congressional support.

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The Finding specifically addresses the parameters for our support to the Nicaraguan resistance forces and contains "symmetry" language providing for a termination of support only if the Nicaraguan Government meets certain specific criteria:

-- Cessation of Soviet/Cuban arms transits through Nicaragua;

-- termination of training, command and control, and logistic support for guerrillas in other Central American countries; and

-- amnesty and non-discriminatory participation by all Nicaraguans in the political process.

Because of specific Congressional constraints on DOD resources, DOD and CIA lawyers removed language pertaining to support provided by DOD to CIA. They agree that this will in no way impair DOD's ability to provide reimbursable items [redacted] to the CIA. Justice Department staff is aware of these changes.

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N 49256

Following his Hill consultation, the DCI late today circulated revised language to the first page of the Finding. Because this occurred less than 48 hours before the meeting, NSPG members could complain on procedural grounds that they have not had sufficient time to study the new language.

We concur with most of the fixes, but have serious difficulty with one key proposed adjustment. The point at issue is over the objective. We are working on more suitable language, which will follow in a separate memorandum.

Chris Lehman, Walt Raymond, Al Sapia-Bosch, and Paul Thompson concur.

Recommendation

That you initial the briefing paper to the President at Tab I.

Approve ________ Disapprove ________

Attachments

Tab I Judge Clark Briefing Paper to the President
  Tab A - Proposed New Nicaraguan Finding
  Tab B - Current Finding dtd December 1, 1981
  Tab C - Central America Finding dtd March 1981
  Tab D - Agenda for NSPG Meeting, September 16, 1983
  Tab E - Talking Points for NSPG Meeting
Tab II NSPG Meeting Participants

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9 PAGES

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CHAPTER 2
FOOTNOTES 60 + 63

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[redacted]

THE NICARAGUA FINDING

N 6783

The Finding replaces the 1 December 1981 Finding [redacted]

This Finding authorizes the provision of material support and guidance to Nicaraguan resistance groups; its goal is to induce the Sandinista government in Nicaragua to enter into meaningful negotiations with its neighboring nations; and to induce the Sandinistas and the Cubans and their allies to cease their provision of arms, training, command and control facilities and sanctuary to regional insurgencies. [redacted]

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Chapter 2 ……
Footnote 64
N 67[illegible]

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2-64

Finding Pursuant to Section 662 of The Foreign Assistance Act of 1961 As Amended, Concerning Operations Undertaken by the Central Intelligence Agency in Foreign Countries, Other than Those Intended Solely for the Purpose of Intelligence Collection

I hereby find that the following activities are important to the national security of the United States, and direct the Director of Central Intelligence, or his designee, to report this Finding to the Intelligence Committees of the Congress pursuant to Section 501 of the National Security Act of 1947, as amended, and to provide such briefings as necessary.

SCOPE	PURPOSE
NICARAGUA	[redacted] provide support, equipment and training assistance to Nicaraguan paramilitary resistance groups [redacted]

Partially Declassified/Released on [illegible] June 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

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N 6782

The Director of Central Intelligence is directed to ensure that this program is continuously reviewed to assure that its objectives are being met and its restrictions adhered to.

Ronald Reagan

The White House
Washington, D.C.

Date: September 19, 1983

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12 PAGES
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CHAPTER 2
FOOTNOTE 66

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1	de Graffenreid	9/28	
2	[illegible]	9/28	
3	Thompson	9/28	
4	Sims	9/28	
5	North	9/28	
6			

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	COMMENT		PREPARE REPLY
	CONCURRENCE		RECOMMENDATION
	DIRECT REPLY		RETURN
	DISPATCH		SIGNATURE

REMARKS:
Pls coordinate with
Ken de Graffenreid

Chapter 3 Footnote 67

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N 6786 2-67

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The Director of Central Intelligence
Washington D.C. 20505

NSC/ICS CONTROL NO. 400696

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N 6787

27 September 1983

MEMORANDUM FOR: ✓Assistant to the President for
National Security Affairs
Deputy Secretary of State
Under Secretary of Defense for Policy
Vice Admiral Arthur S. Moreau, Jr.,
Assistant to the Chairman, Joint Chiefs of Staff

SUBJECT: Letter from Senator Barry Goldwater Regarding the Central America Finding

I think this letter from Goldwater deserves an answer. Clearly, members of the Committee talked to the press after the hearing on this Finding. We know that the press knew the outcome within one-half hour after the hearing was closed and that during the hearing a member of the Committee predicted that it would. What is troublesome is an Administration official explaining "the program as outlined by Mr. Casey and Mr. Shultz." Later on, the same or another Administration official is said to have stressed that "this should end the argument over whether the Administration was violating its pledge by doing more than just stopping the arms flow," etc. This has all the earmarks of a briefing by an Administration official. If we know of any such briefing, authorized or unauthorized, it should be reported to Goldwater, or if we know of no such authorized briefing and have no idea of where the alleged Administration statement came from, we should tell him in our response.

I would appreciate your help on this.

Willam J. Casey

Attachment

1/26/88

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United States Senate
SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, D.C. 20510

Recd 26 Sept.

Executive Registry
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N 6788

September 22, 1983

The Honorable William J. Casey
Director of Central Intelligence
Central Intelligence Agency
Washington, D.C. 20505

Dear Bill:

You will recall that during the hearing the other day I asked if we could downgrade the classification of the new Presidential Finding which we were discussing.

It was not done and yet The New York Times published a story on the thing today. Remember, Bill, the long talk we had about the Department of State leaking Top Secret material? Now when The New York Times can publish something marked Secret, something has to be done.

I don't care who did it, but we should find out. This has gone too far.

Frankly, I think it was too highly classified to begin with, but it did have that classification and I want to hear from your office where that leak came from. I am getting fed up with leaks out of the White House, your own Agency, or wherever.

Sincerely,

Barry

Barry Goldwater
Chairman

Enclosure

DCI
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N 6789

More Aid to Nicaraguan Rebels Backed

Special to The New York Times

WASHINGTON, Sept. 20 — The Reagan Administration told the Senate Intelligence Committee today that it planned to continue covert military aid to the Nicaraguan insurgents until the Sandinista Government stopped giving military support to the rebels in El Salvador, according to participants in the meeting.

William J. Casey, Director of Central Intelligence, and Secretary of State George P. Shultz met for several hours behind closed doors with the committee, which is headed by Senator Barry Goldwater, Republican of Arizona. Senator Goldwater had requested a report on plans for the fiscal year that begins on Oct. 1.

The Administration is obliged to report to the intelligence committees of both houses on the goals and objectives of any covert activity. The committee had declared in May that it would cut off the aid in the absence of a new report by Sept. 30.

Most of the committee members were reportedly satisfied by the limited nature of the Nicaraguan program. Some had been concerned because Mr. Casey had reportedly suggested before the Congressional recess last month that the Administration might decide to back the Nicaraguan "contras," as the insurgents are known, with the aim of overthrowing the Managua Government, which is supported by Cuba and other Communist states.

'Very Impressed With Shultz'

"The members were very impressed with Shultz," one participant said. "They thought the plan was much more sensible than in the past. It looked as if it had some coherence and practicality."

President Reagan had said publicly that the United States had no intention of overthrowing the Sandinista Government. Administration officials had said that the $19 million which had been appropriated in the current [illegible] year for covert aid was only meant to prevent arms from Nicaragua [illegible] going to the insurgents in El Salvador.

An Administration official said that the program outlined by Mr. Casey and Mr. Shultz went beyond the scope of the current program. He said it was not limited to interdicting arms, but was more broadly stated in general support of the Nicaraguan rebels. "We were always being questioned," an official said, "on whether we were going beyond our program of interdicting arms. Now we say, 'Yes, we are supporting the rebels until the Nicaraguans stop their subversion in neighboring countries.'"

"It was a very positive statement," the official said, adding that "I wished the press would have been able to hear

Honduras and Costa Rica Included

One participant said that the covert aid was to be used, not only until the Sandinistas stopped supporting insurgents in El Salvador, but in Honduras and Costa Rica as well.

The Administration official stressed that this approach should end the argument over whether the Administration was violating its pledge by doing more than just stopping the arms flow. The official also said that there was no thought of the Administration backing the insurgents in trying to overthrow the Sandinista Government.

The House earlier this year passed a bill cutting off all covert aid to the Nicaraguan insurgents for the 1983 fiscal year, but it stood little chance of passage by the Senate. In the absence of action by both houses to cut off the aid, it continued. Today's committee meeting seemed to clear the way for Senate approval for the 1984 fiscal year, which begins Oct. 1. The House will have to decide whether it wants to vote again to cut off covert aid in the next fiscal year.

The Senate Intelligence Committee has generally been supportive of the Administration's actions in Central America. The chief critic of the Administration on the committee is Senator Joseph R. Biden, Democrat of Delaware.

According to participants in the session, the Administration witnesses presented a formal finding by President Reagan that it would be in the national security interest to continue a paramilitary program directed against the Sandinistas.

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Chapter 2, Footnotes 72, 73 and 74a

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E. Sustaining regional economies. The remedies outlined above are more likely to succeed if some measure of economic stability and growth can be returned to Central America. The region continues to suffer from the ill effects of low commodity prices, low productivity and massive disinvestment caused by regional tension and conflict. The economies of the region have been unable to capitalize so far on the U.S. recovery. In the near term a substantial infusion of economic assistance is needed. Our ability to obtain this funding will be affected by the Kissinger Commission and the timing of its report. We are consulting with the Kissinger Commission to prepare a supplemental assistance effort for FY-84 which would neither preempt the Commission nor allow the short term situation to deteriorate further.

ACTION PLAN

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Washington, D.C. 20520

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December 20, 1983

MEMORANDUM FOR ROBERT C. McFARLANE
THE WHITE HOUSE

SUBJECT: Next Steps in Central America

In response to your request of November 21 for an in-depth review of our current policy for Central America, an interagency task force has prepared the attached status report and action plan for the consideration of the National Security Policy Group.

Charles Hill
Charles Hill
Executive Secretary

Attachment:

Where Next in Central America

1/24/85

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N 32309

WHERE NEXT IN CENTRAL AMERICA

We have made substantial gains in Central America in the past three years. Cuban/Soviet-supported destabilization has been blunted. We have shown that, with our help, the rest of Central America need not go the way of Nicaragua. Nicaragua is increasingly isolated and, as a result, is attempting to appear more reasonable and/or to signal a desire to reach some form of accommodation. Democracy remains strong in Costa Rica and has taken a firm hold in Honduras. Important steps to achieve it have been taken in El Salvador. We have doubled economic aid while the CBI and anticipated Kissinger Commission recommendations lay the cornerstone for dealing with the region's massive economic problems over the longer term. Our military efforts have strengthened the resolve of Honduras, contributed to improved performance of the Salvadoran armed forces and increasingly placed the Sandinista government on the defensive. In short, the overall strategy is in place.

Despite these successes, we have reached a plateau in our policy. New initiatives and decisive and effective action are needed so that current opportunities will not be lost and necessary cooperation and support can be obtained from friendly governments and our own Congress. Specifically, this will require coming to terms with the following:

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United States Department of State

Washington, D.C. 20520

[redacted]

Ch 2 #74

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August 23, 1983

N 6883

MEMORANDUM FOR: CIA - Mr. Thomas Cormack
NSC - Mr. Robert Kimmitt
WH - Mr. Kenneth M. Duberstein
DOD - Col. John Stanford
JCS - LTC. Dennis Stanley

2-74

Subject: Legislation on Nicaragua

Mr. Dam, as Chairman of the SIG, has called a meeting of the Special Interagency Working Group August 26 at 2:30 p.m. to consider the Administration's strategy toward legislative efforts to prohibit or restrict covert assistance to Nicaragua. The attached memorandum outlines the present legislative situation and various scenarios we may face. Ambassador Motley will chair a preliminary meeting on this subject on August 24 to which your representatives have been invited.

The SIG Special Interagency Working Group will be responsible for ensuring the development of a plan of action for meeting the various legislative contingencies, coordinating the Administration's position on this issue and monitoring the situation as it evolves.

Brunson McKinley
for Charles Hill
Executive Secretary

1/24/87

Attachment:

Memorandum

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DEPARTMENT OF STATE
Washington, D.C. 20520

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August 19, 1983

MEMORANDUM FOR MR. WILLIAM P. CLARK
THE WHITE HOUSE

SUBJECT: Interagency Coordination on Legislation to Prohibit Covert Assistance to Nicaragua

This memorandum describes the numerous ways in which restrictive legislative proposals, seeking to deny authority or funds for U.S. support of anti-Sandinista paramilitary groups, are likely to be raised when the Congress reconvenes in September. It also outlines the procedure that has been developed by a State-chaired Interagency Group for opposing harmful legislation.

The present legislative situation is very unsettled, presenting numerous opportunities for maneuvers designed to constrain the Administration's authority to conduct or support covert operations. Relevant Congressional actions include the following:

1. Separate Legislation

The Boland-Zablocki bill (H.R. 2760) was passed by the House on July 28. This bill would effectively prohibit covert assistance to the anti-Sandinistas for the remainder of FY 198 and all of FY 1984. Senate consideration of this bill has been deferred, but the situation must be monitored closely.

2. FY 1984 Intelligence Authorization Bill

The House bill (H.R. 2968), as reported, contains a prohibition on the use of FY 1984 funds for the Nicaragua program. The Senate bill (S. 1230), as reported, contains no comparable limitation. However, the classified report of the Senate Intelligence Committee calls for a new Presidential finding which must be approved by the Committee. (The Committee approval procedure is not legally binding, especially in light of the Supreme Court's decision on legislative vetoes

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In the House, an effort will probably be made to add the Boland-Zablocki language to the intelligence authorization bill. Depending on the rule that is adopted, there could be another general debate on covert assistance. However, the prospects are not good for obtaining a reversal in the House of the recorded vote on H.R. 2760.

There is also a possibility that the Boland-Zablocki language will be offered in the Senate as an amendment to the FY 1984 intelligence authorization bill. We should be able to defeat such a Senate amendment, but the vote will be close.

Whatever passes the House and the Senate on the FY 1984 intelligence authorization will have to be sorted out in conference

3. FY 1984 Appropriations

We may also face difficulty in the House when it deals with the intelligence portion of the FY 1984 Defense appropriation bill. (Congressman Boland serves on the Appropriations Committee and could introduce Boland-Zablocki or other restrictive language in the markup of that bill.)

Perhaps most important, we will face the possibility of inclusion of Boland-Zablocki restrictive language in the FY 1984 continuing resolution. As in the case of the Defense appropriation bill, the House Appropriations Committee will have initial jurisdiction over the continuing resolution.

4. Other Considerations

Meanwhile, negotiations continue on possible compromise formulations with moderates in the Congress. The latest proposal (from Zablocki) does not meet all the Administration's concerns but is far preferable to Boland-Zablocki.

A decision will be needed soon on whether to interject into this already complicated situation a new Presidential finding on the Nicaraguan program. Such a finding would be required no later than September 30 under the terms of the Senate Intelligence Committee report on the FY 1984 authorization bill. There is some concern that the new finding could undermine our legislative strategy if not carefully worded and timed.

It should also be noted that in the months ahead Congress will deal with a number of other issues affecting Administration policies and programs and that these issues will become interrelated in the legislative process. This necessitates close coordination within the Executive Branch among all officials concerned with the affected policies and programs and with legislative strategy.

Procedure

It is imperative that the Administration deal with this complex Congressional situation, in all its permutations, in an effective and coordinated manner if we are to avoid the loss of an essential tool for achieving our policy objectives in Central America. Accordingly, a Special Interagency Working Group has been established under the chairmanship of the Deputy Secretary of State, in his capacity as SIG chairman, to coordinate strategy for dealing with the Congress on these matters. CIA, DOD, and the NSC staff have agreed to provide representatives. Regular liaison will be maintained with the Assistant to the President for Legislative Affairs.

Charles Hill

Charles Hill
Executive Secretary

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2-74a+75

Ver 2, Footnote 74a
Vice President 7:

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THE WHITE HOUSE

WASHINGTON

14258

MEETING WITH THE NATIONAL SECURITY PLANNING GROUP

DATE: Friday, January 6, 1984
LOCATION: White House Situation Room
TIME: 1:30 - 2:30 p.m.

FROM: Robert C. McFarlane

I. PURPOSE: To review Interagency recommendations on Central America and make decisions for our strategy in 1984.

II. BACKGROUND: Our last NSC level meeting on the Central American situation was on September 23, 1983. In late November, we requested a review of our Central America strategy and asked for Interagency recommendations for actions that will carry us through 1984. The result is the Central America strategy paper attached at Tab I.

The document at Tab I was prepared by the Restricted Interagency Group and reviewed and approved by Ken Dam's Foreign Policy SIG (SIG/FP). It provides detailed actions to improve our chances for success in the region which are compatible with the broader recommendations of the National Bipartisan Commission on Central America (NBCCA). Although the Commission will not present its final report to you until Wednesday, January 11, 1984, we need to move early next week on key resource issues which must be forwarded with your FY-85 budget submission. An agenda for the meeting is attached at Tab II and proposed talking points are at Tab III.

The major elements of the strategy paper at Tab I include recommendations on overall goals, resources, diplomatic strategy, covert operations, military activities, and legislative/public affairs. Briefly summarized, the SIG is in agreement with:

[redacted]

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- Our diplomatic strategy in the region should proceed as follows:

[redacted]

[redacted]

- Our covert action program should proceed [redacted]

- U.S. military activities in the region should [redacted]

- Public diplomacy and legislative strategy: State now has ONLY one person available to work Latin American issues with the Congress. Further, too few resources are available for international persuasion on these issues. The Soviet Bloc/ Cuban and Communist guerrilla propaganda apparatus is large and is working hard to bring about a cutoff of all outside aid to the target countries in Central America. There is an urgent need to authorize [redacted] staff positions and about [redacted] for the State Department in order to permit us to achieve results on the Hill and present our Central American policy more effectively.

[redacted]

The agenda at Tab II is designed to allow discussion of each of these critical issues. Your talking points at Tab III are structured to emphasize those areas which are most important to the implementation of a winning strategy. The NSPG principals need your direction on these issues.

III. PARTICIPANTS:

The National Security Planning Group
Director Stockman
Oliver North
Constantine Menges

IV. PRESS PLAN: None

V. SEQUENCE OF EVENTS: See agenda at Tab III

Attachments
Tab I - Strategy Paper, w/Tabs A thru O
Tab II - Agenda
Tab III - Talking Points

Prepared by:
Oliver North
Constantine Menges

Ph 2 #72-76+77

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Chapter 2, footnote 78

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MEMORANDUM

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NATIONAL SECURITY COUNCIL

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Well done

N 44831

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February 3, 1984

ACTION

2-80

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Attack on Guerrilla Command and Control Centers in Nicaragua

At dusk on February 2, five Cessna 0-2 aircraft armed with 2.75 inch rockets attacked the ERP command and control center, training camp, and logistics facilities at Volcan Casita (see Point A on map). [redacted]

At dawn the following morning (February 3) [redacted] attacked the FSLN communications and naval arms depot at Aposeutillo. As in the raid the previous night, there were secondary explosions and minimial return fire. None of the aircraft were damaged.

Since the two attacks, radio Managua has claimed that three EPS soldiers were killed by A-37 aircraft attacking from Honduras, and that a "Ministry of Agriculture radio antenna was damaged." confirms that radio Veneremos (the propaganda voice of the FMLN) is off the air. [redacted]

Significantly the GRN, which has been down playing CONTRA activity in recent weeks, has protested loudly over these attacks. Newspaper accounts in Managua today have variously accused ARDE, FDN, the U.S., and Honduras for the attack. [redacted]

Partially Declassified/Released on 8 July 19[illegible]
under provisions of E.O. 12356
by [illegible], National Security Council

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As a related issue, we made a conscious decision not to invite the Nicaraguan ambassador to today's ceremony in the East Room. The State Department or OPL did, however, invite Adolfo Colero, the political head of the FDN Colero. This may come to light publicly and we have asked State to provide some press guidance in the event the media here noticed. Colero has already been interviewed by several members of the Latin press.

RECOMMENDATION

That you brief the President using the points above.

Approve ✓ Disapprove _____

cc: Constantine Menges

Attachment
Tab A - Subject Map

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2-80

See Hearing Exhibit OLN-177

See Hearing Exhibit DRC-23

ch. 2 # 83

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2-83

This material has been reviewed by the Executive Branch Inter-Agency Declassification Review Committee and found to contain no classified information. While the Declassification Review Committee has attempted to protect privacy interests where possible in transcripts or footnote source documents, the Declassification Review Committee cannot accept responsibility for protecting privacy concerns in these exhibits.

EXHIBIT Chapter 2, Footnote 83

1 page D 6087

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EXHIBIT Chapter 2
Footnote 83
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Information

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NUCLEAR AND CHEM 73

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U.S. NAVAL ACADEMY

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Command	Duty assignment	Occ	Begin date / End date
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Partially ~~Declassified~~/Released on 1/26/88
under provisions of E.O. 12356
by B. Reger, National Security Council

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4498

November 7, 1983.

N 7460

Dear Rob Owen:

Just a note to let you know we are all alive and well and working.

I wonder what B.Gs outlook will be with Clark out and Mc. Farlane the new chief. Hopefuly B.G. will be more powerful as we need more like him.

Also if you are talking to Kirkpatricks aid pass the word that there are alot of little people like myself, lost in the boondocks that think she is one of the best and we don t give a damm what Schultz, the press or anyone else think hang in there and hang tough.

Its to bad you are not here at the moment. I m on the north porch and their is a great bright rainbow in the sky with a nice tropical breeze. Birds are all over the place, fish jumping in the river and the sound of laughter of the children olaying soccer sets the whole thing off. Don t you think I should start looking for a Costa Rican bride to put hybred vigor into to Owens clan ?

Last week we had a 24 hours meeting here with the hero, Robelo and the chiefs of the indians from the North plus their sub chiefs , body guards etc, over 20 in all. Margarita and the maid had a 24 hour cookethon and from her I was able to know the opinions of all the different factions and still stay completty out of the deal. It was pretty obvious from the start that it was doomed to faliure as the hero is to proud, and [illegible] stubborn to agree to unite and fight with the F.D.N.

I understand some might join with Roger, reorganize and combine forces, I hope.

The last two weeks I have spent a lot of time over on the Pacific fixing an old cabin cruiser boat we are putting in a diesel motor.

The large land owners there are organizing into vigilante bands and we were able to cache about thirty rifles and several thousand rounds of amo at various farms. Also located several places that ranchers are now fixing that can be used as clandestine airports if needed in the future.

Here in San Carlos we have permission to set up and arm a 200 man civil defense unit and a couple of weeks ago I went with the lo-

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Chapter 2, Footnote 87

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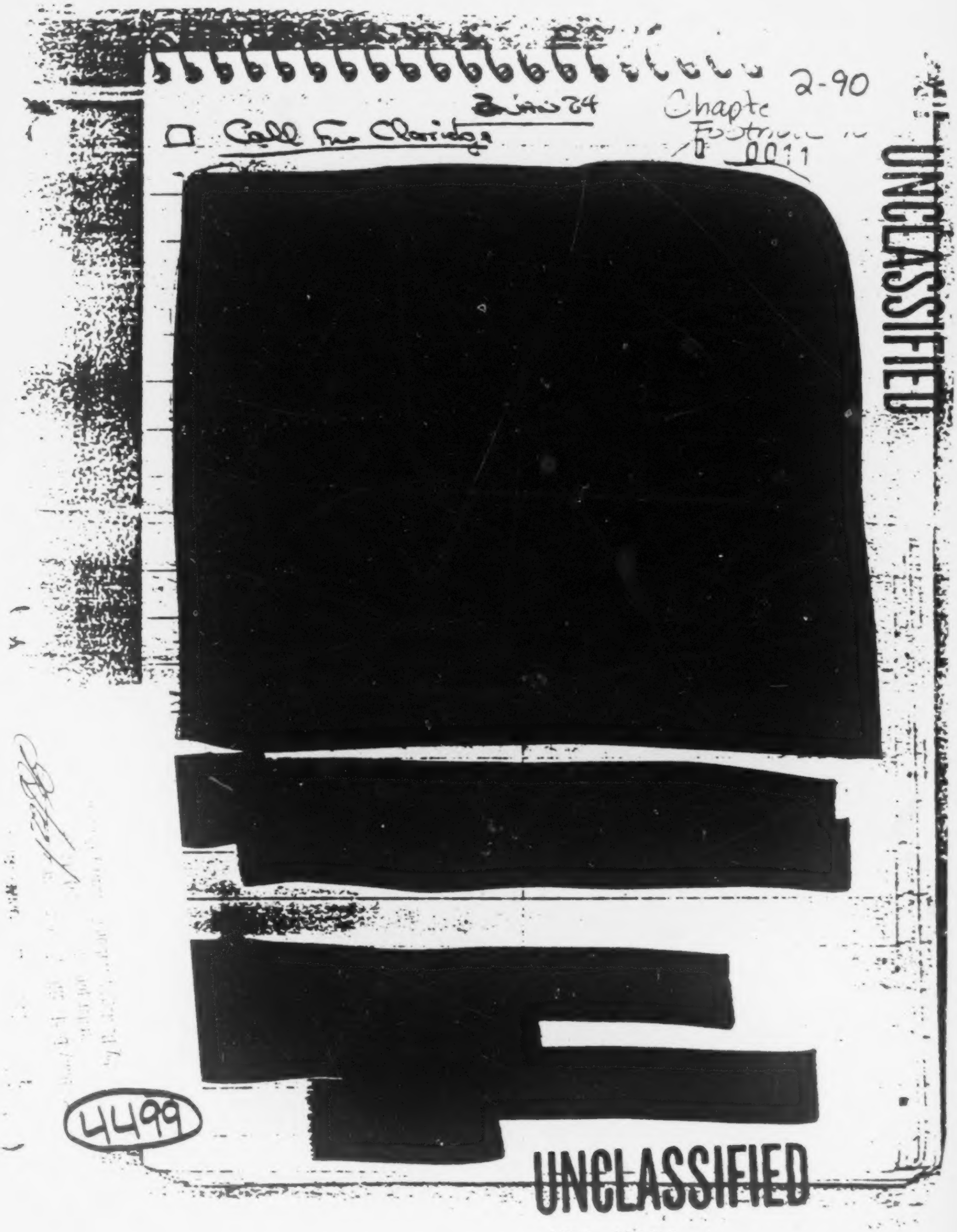

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☐ Call Fr. Claridge

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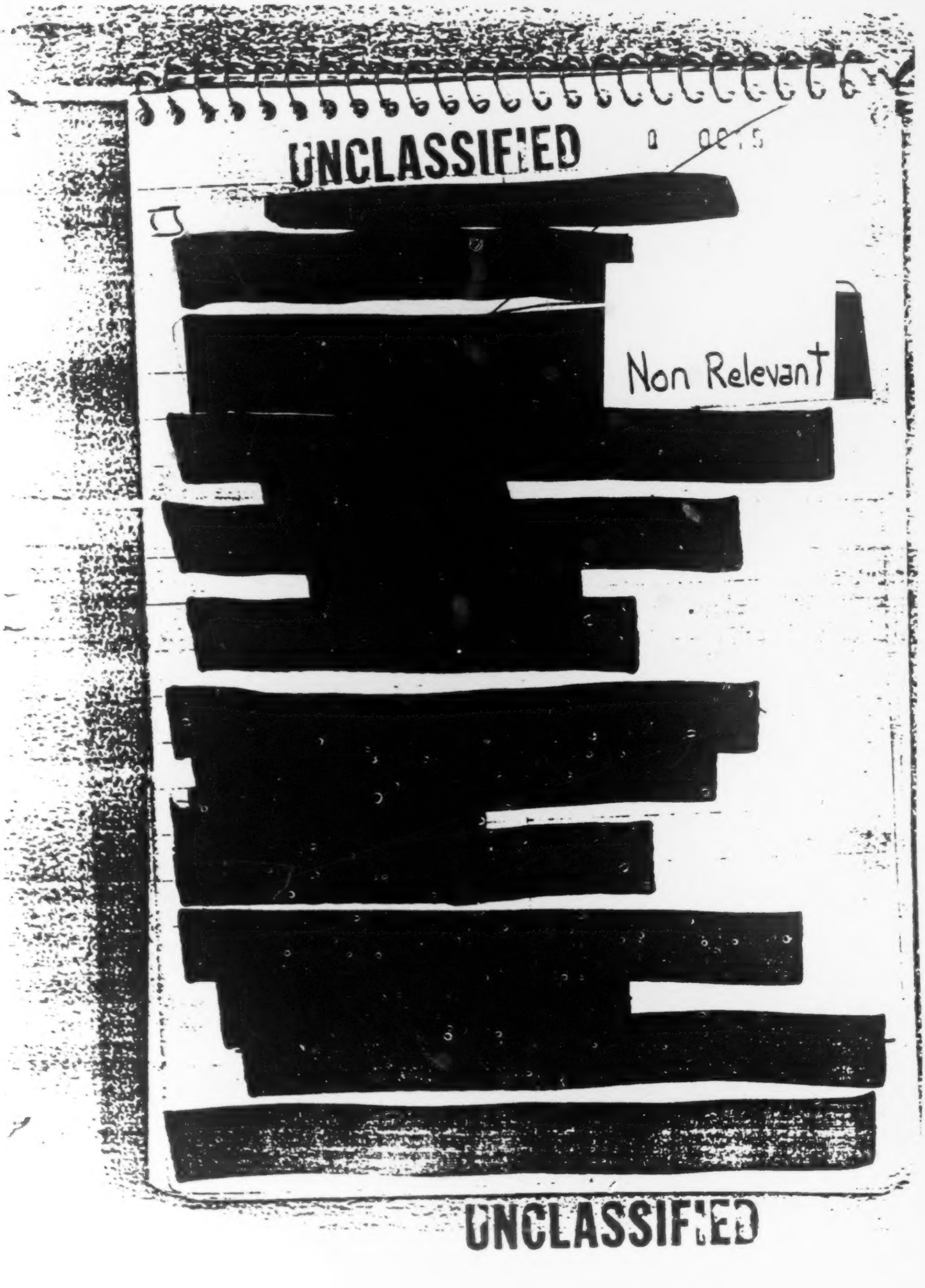

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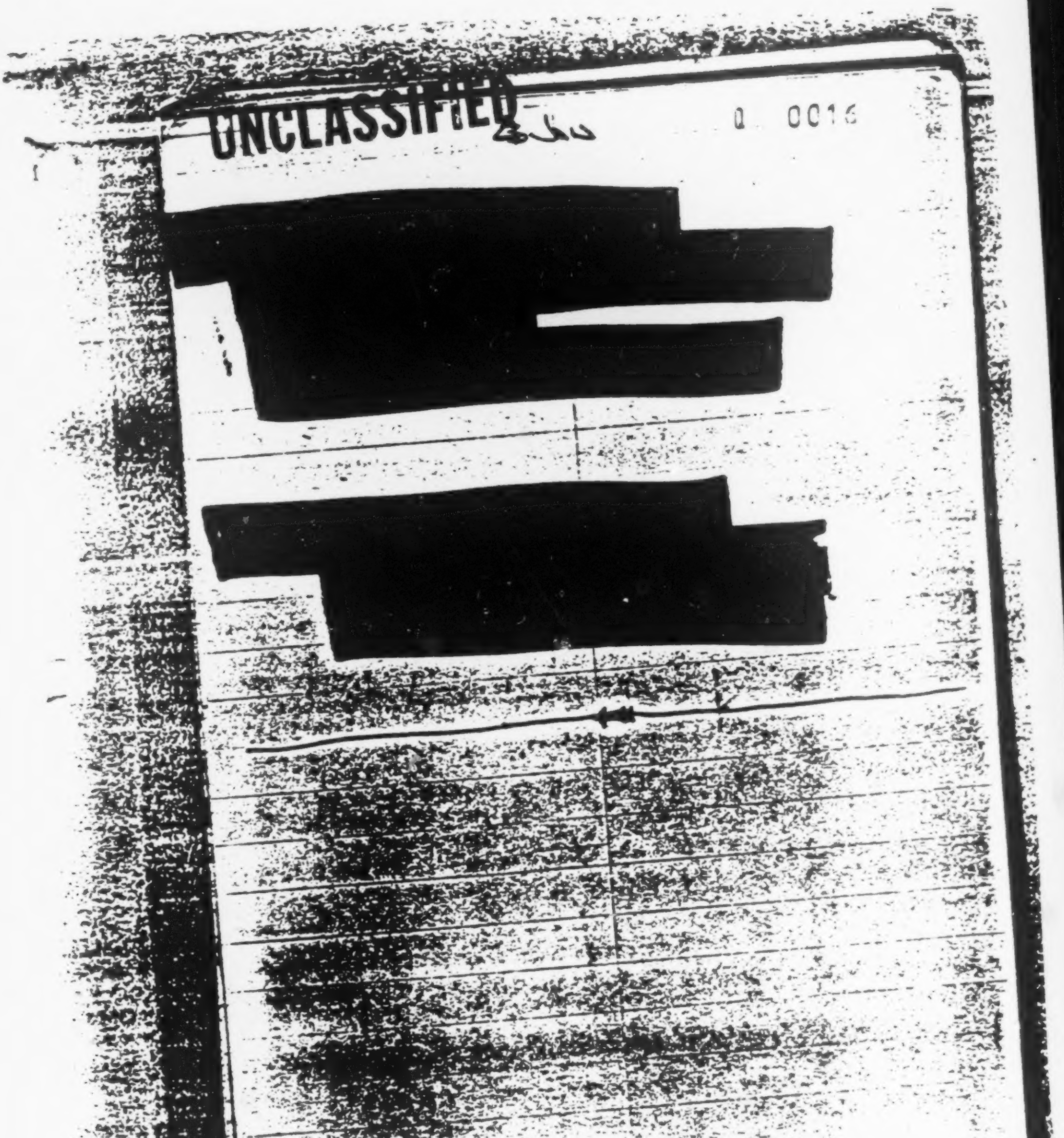

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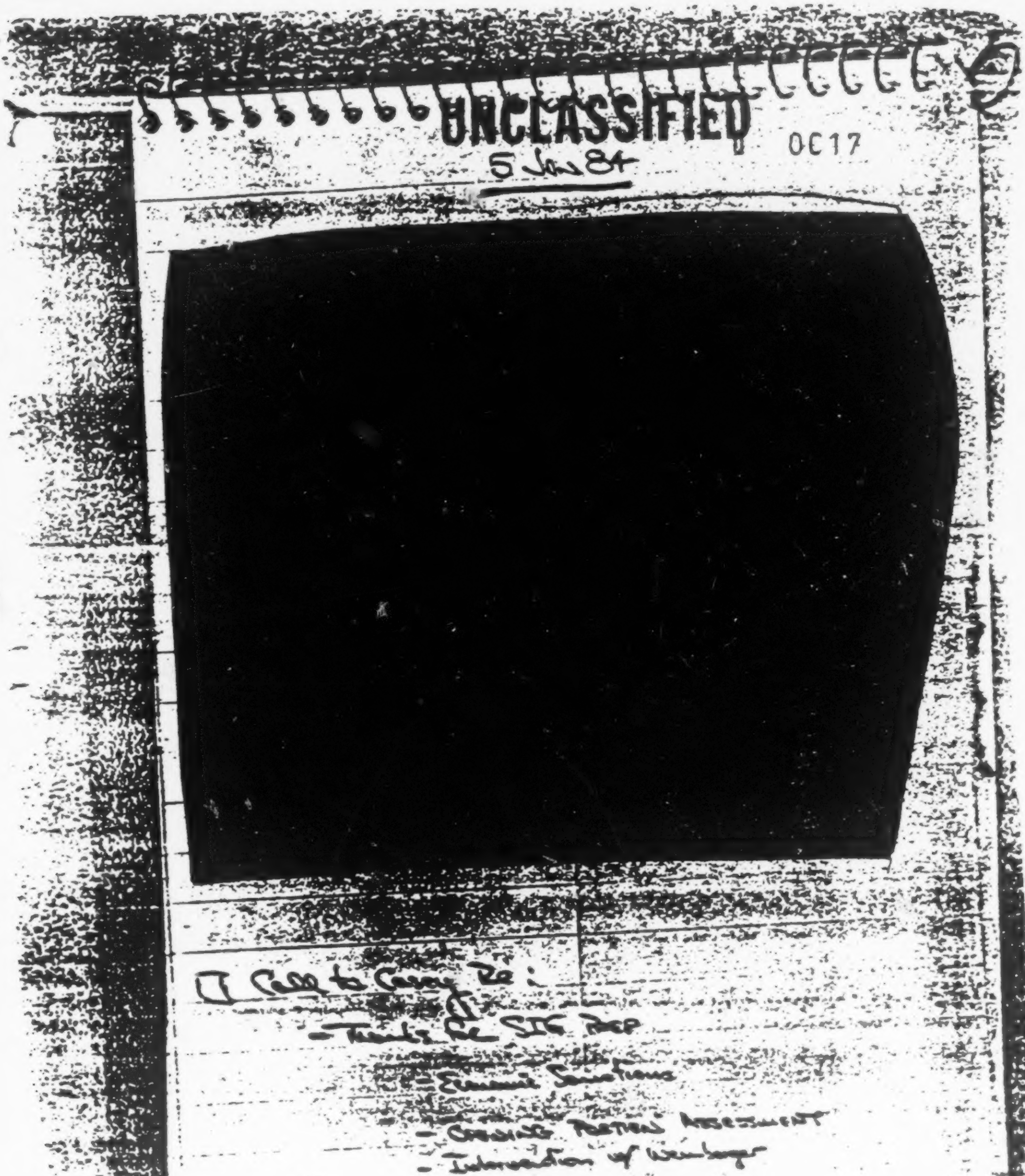

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☐ Call to Casey Re:

- Thanks for SIG Prep
- Economic Sanctions
- Opening Position Assessment
- Intervention of Weinberger
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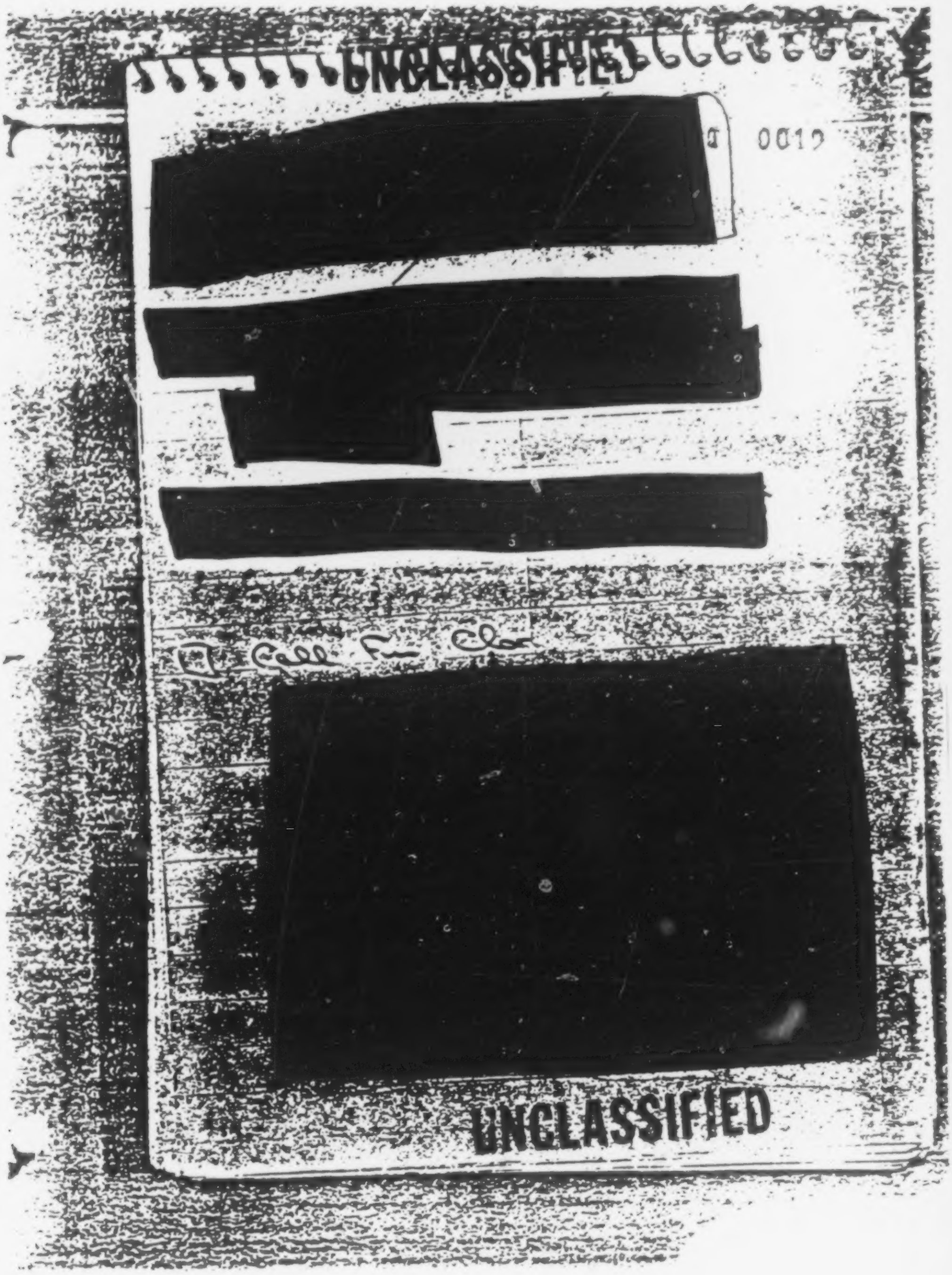

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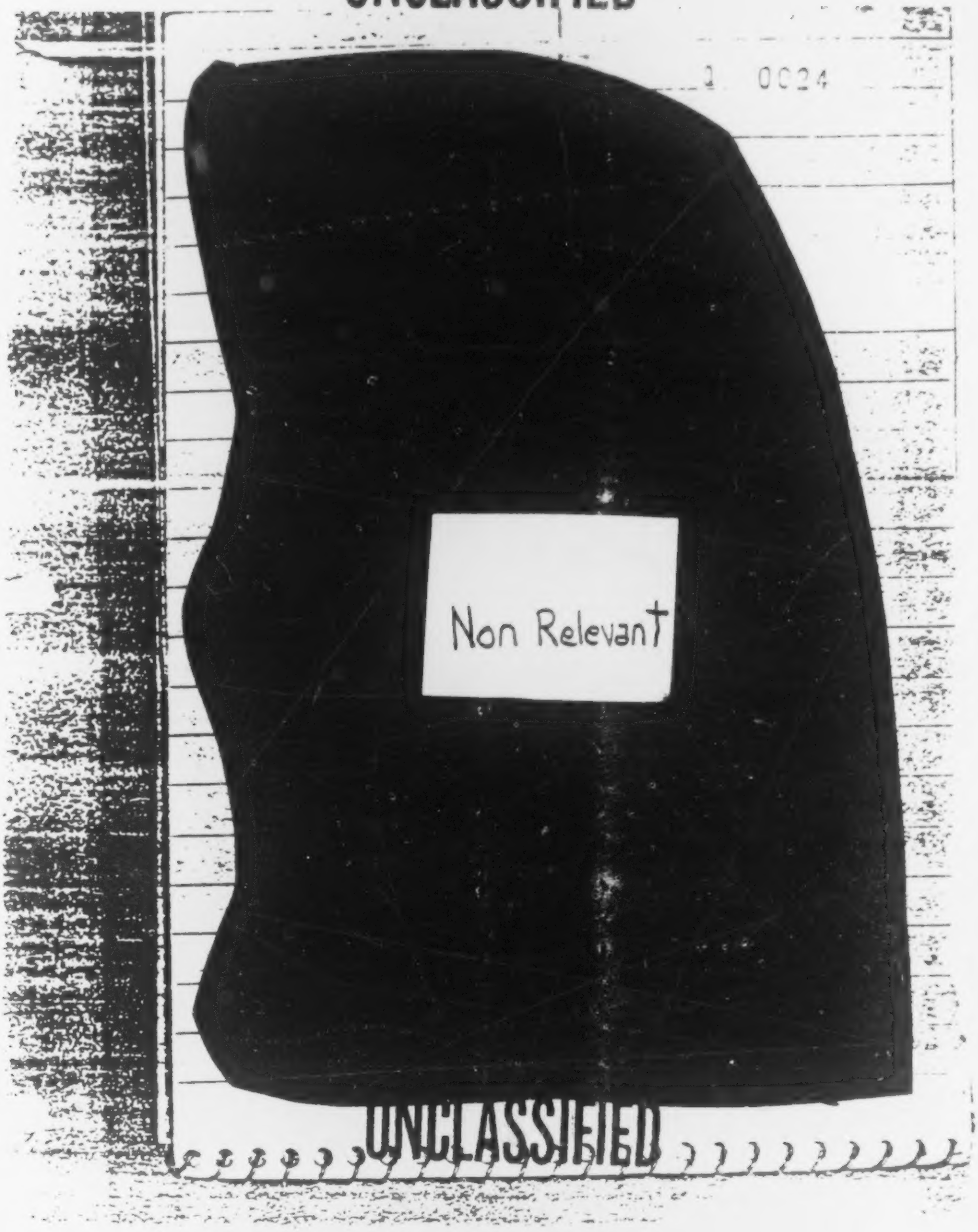

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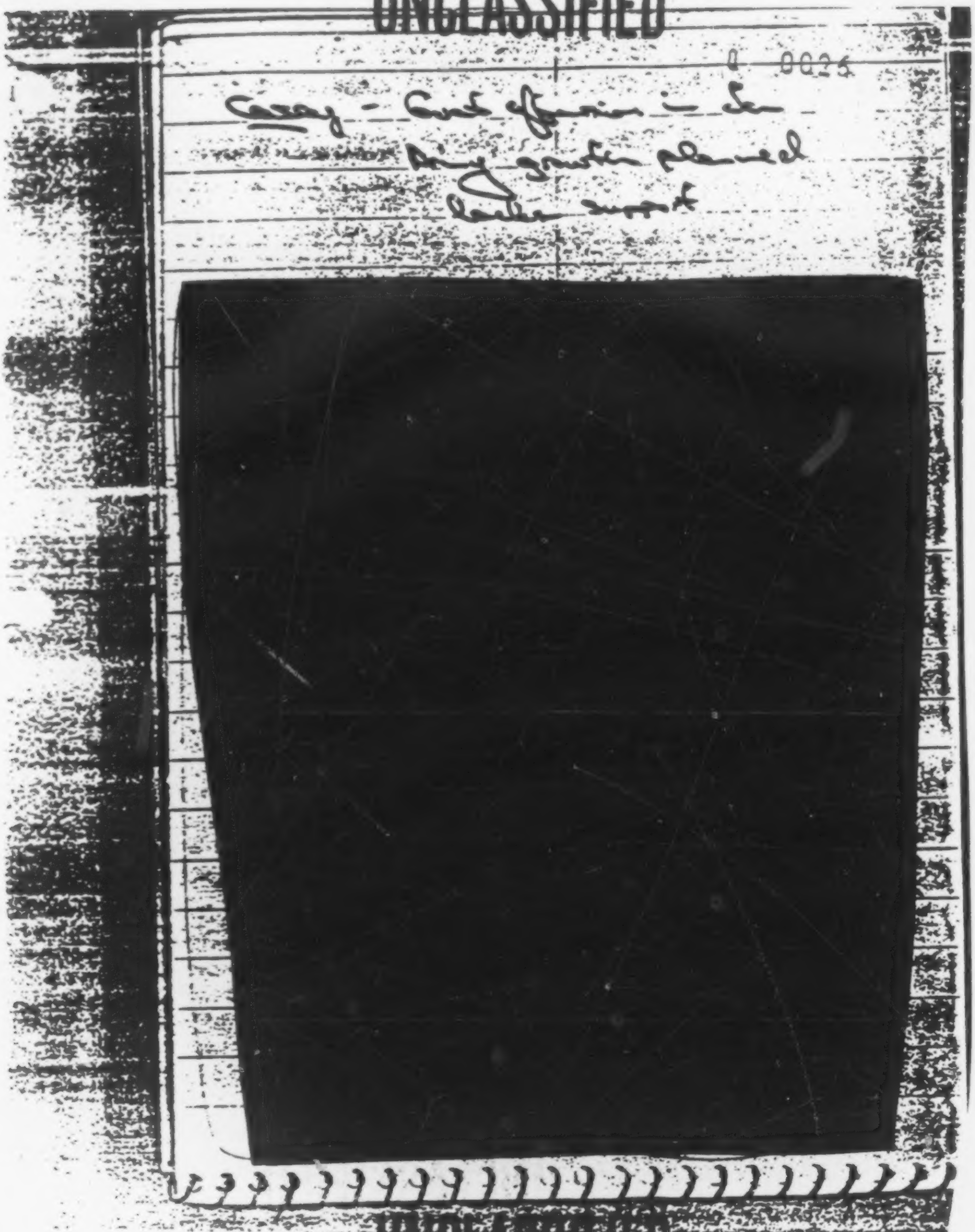

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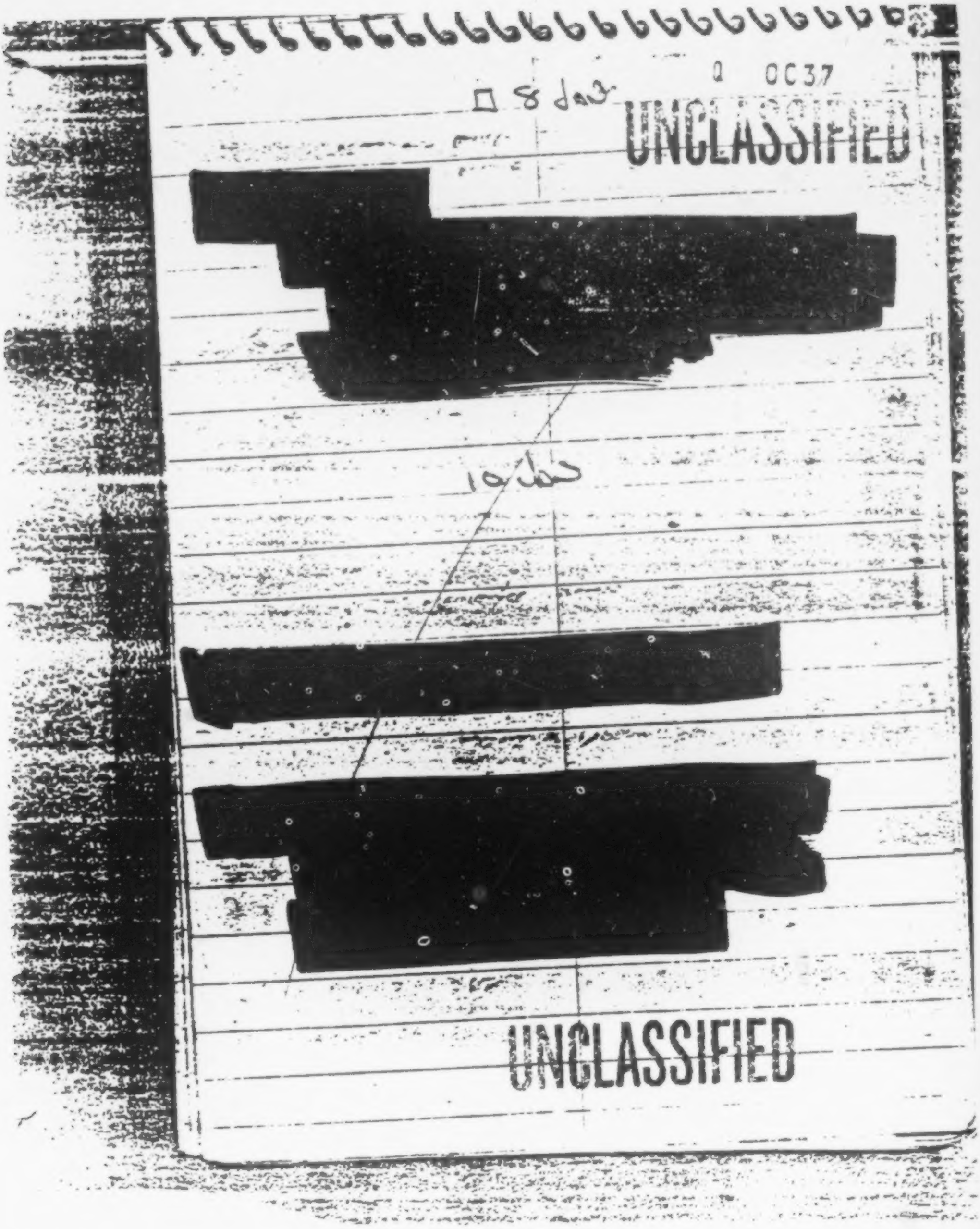

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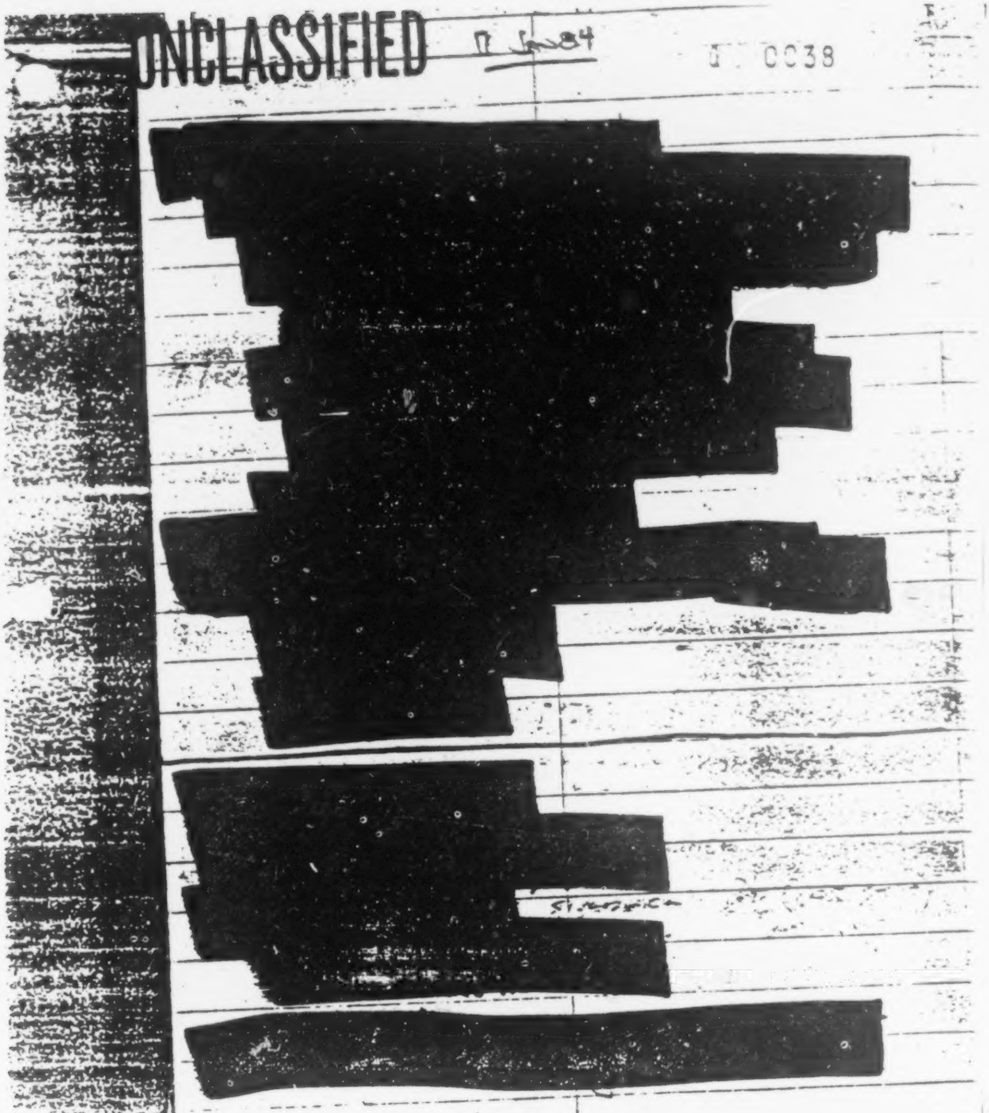

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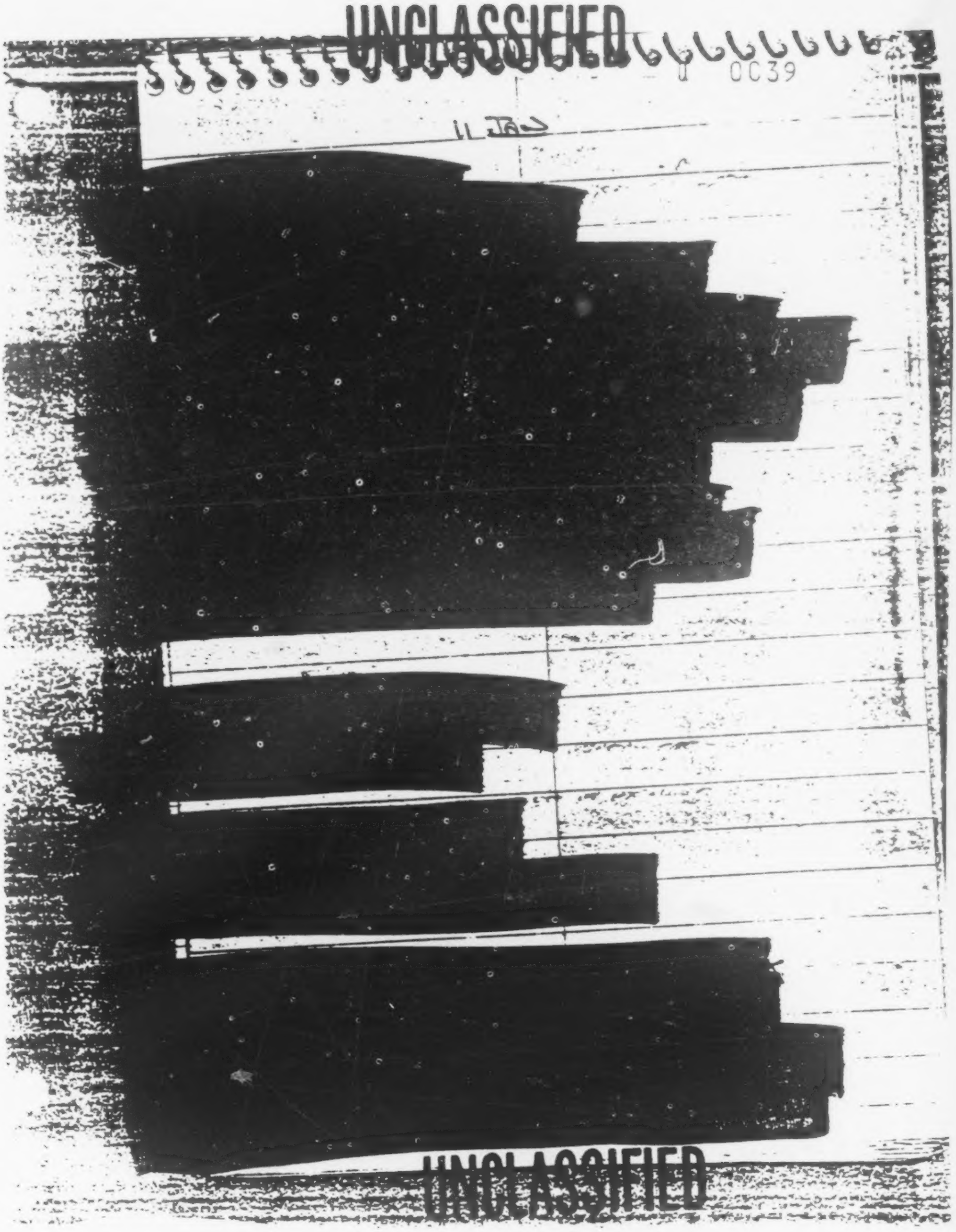

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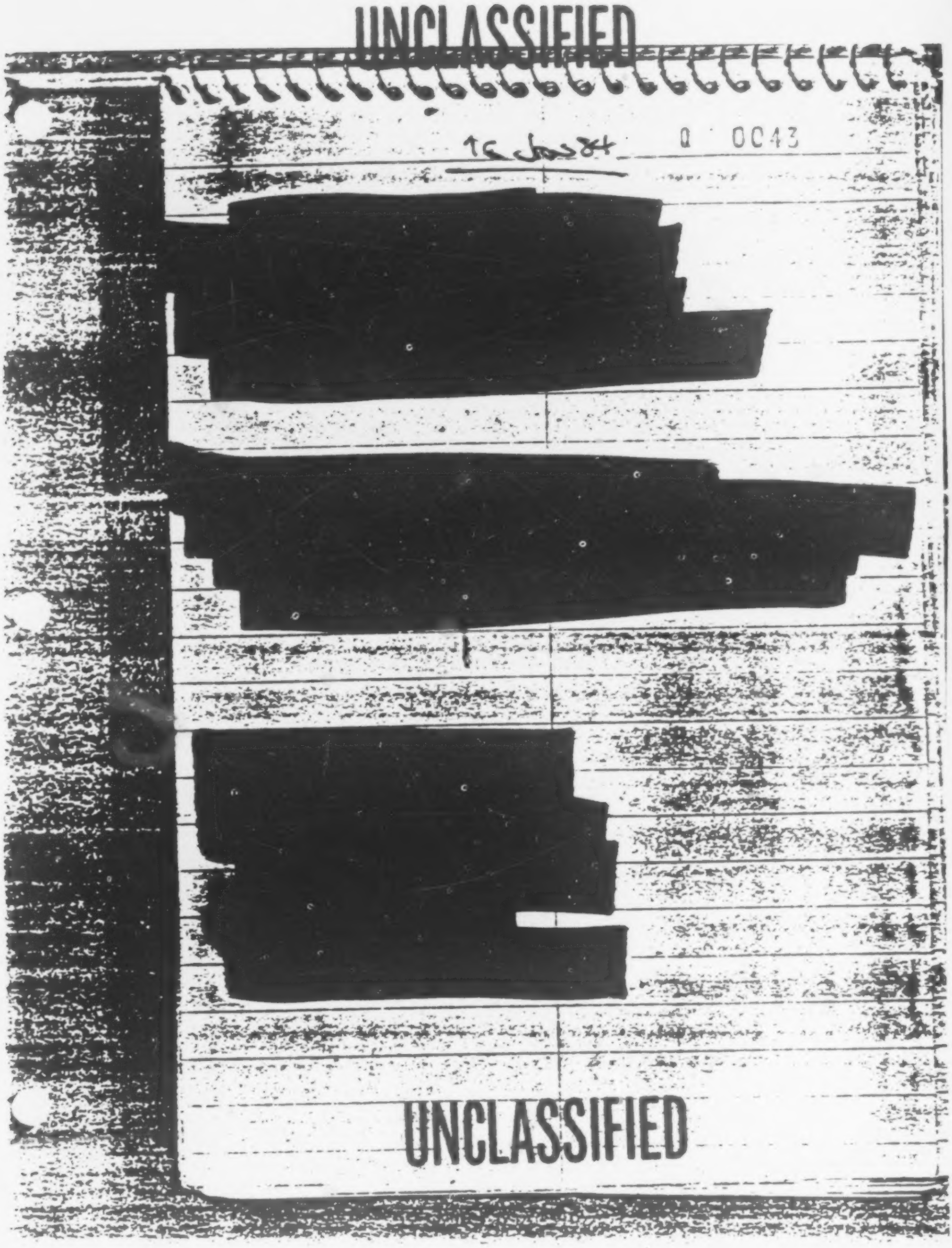

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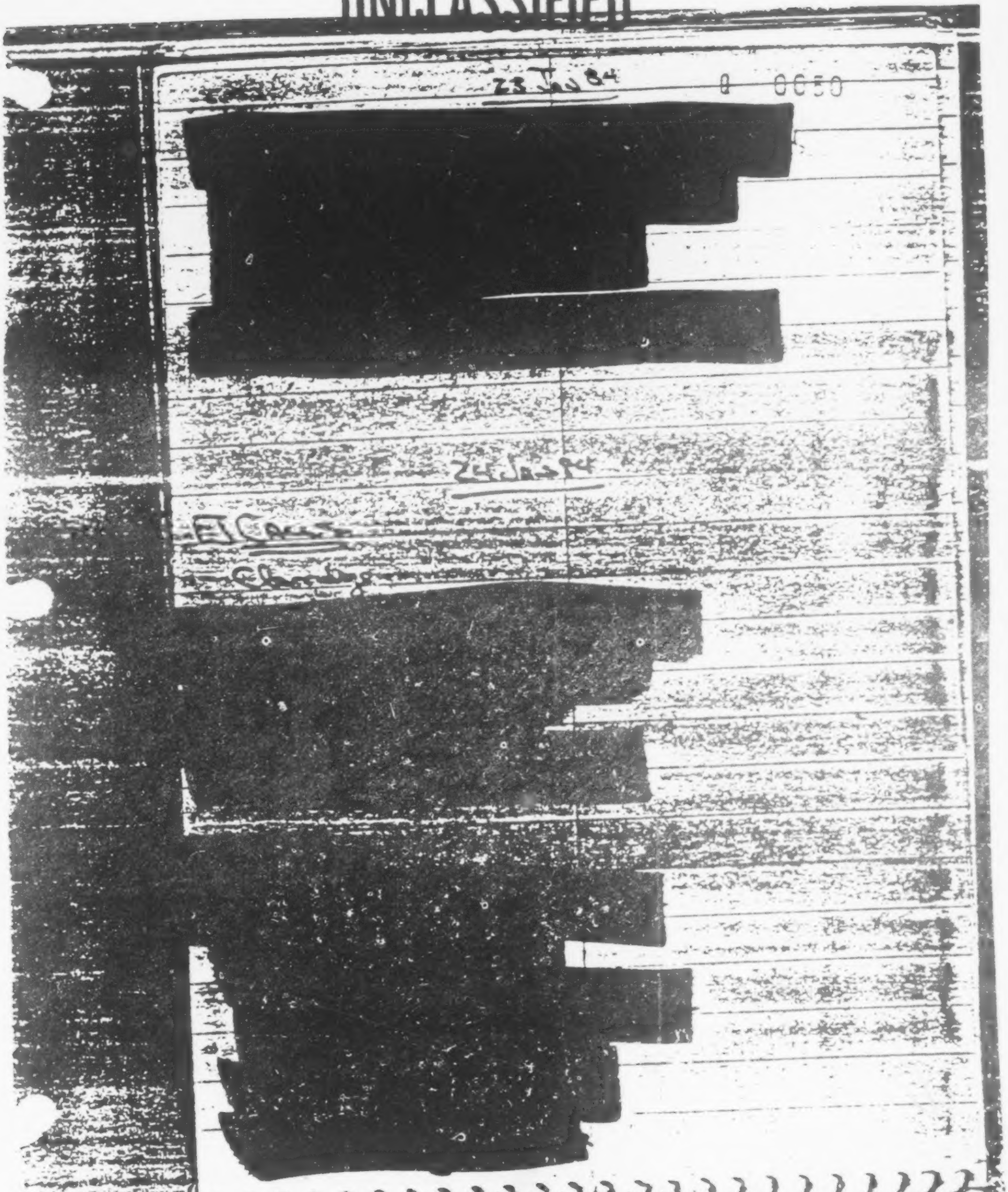

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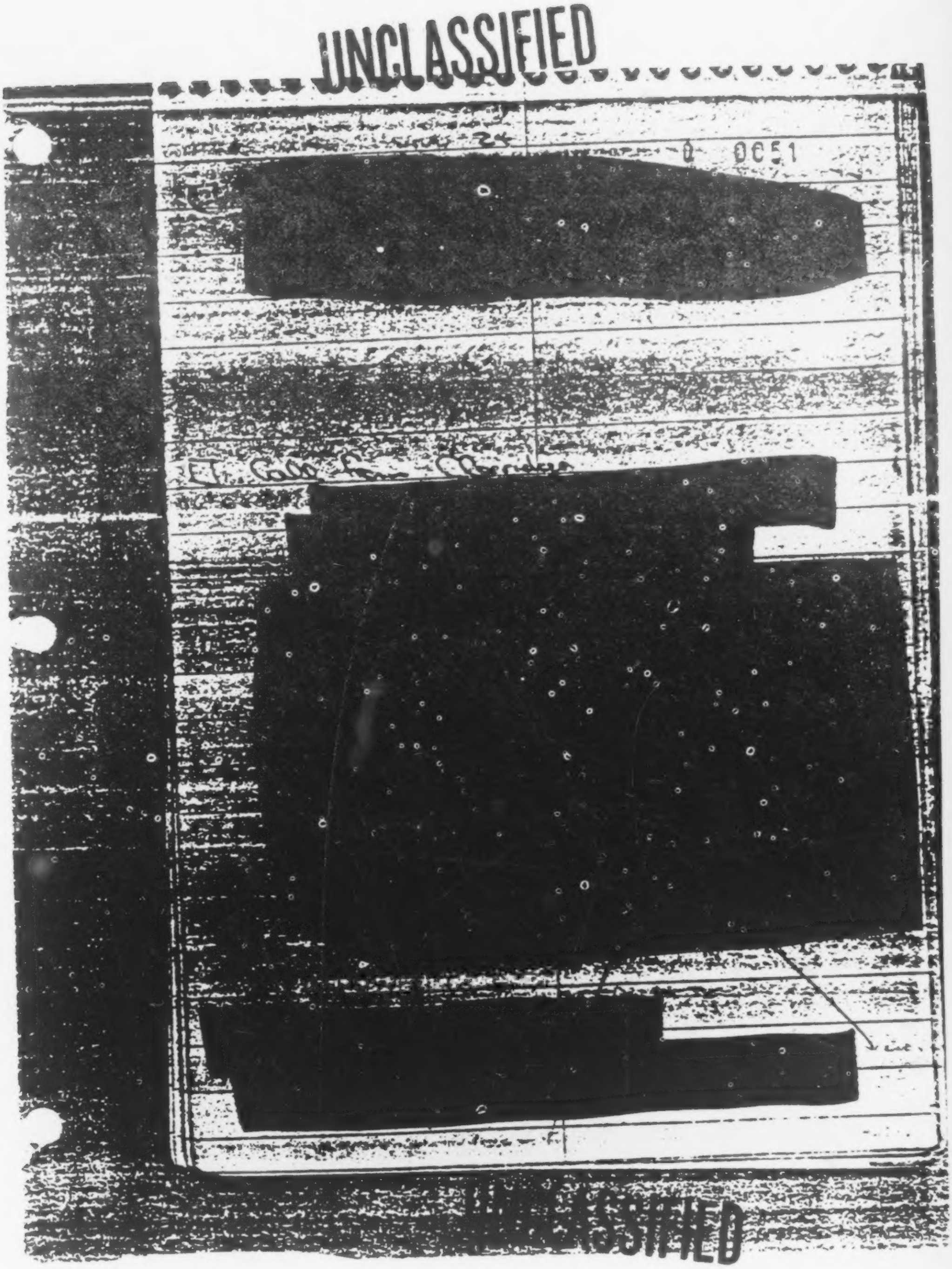

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- Mtg w/ Casey

- Funding for Contras

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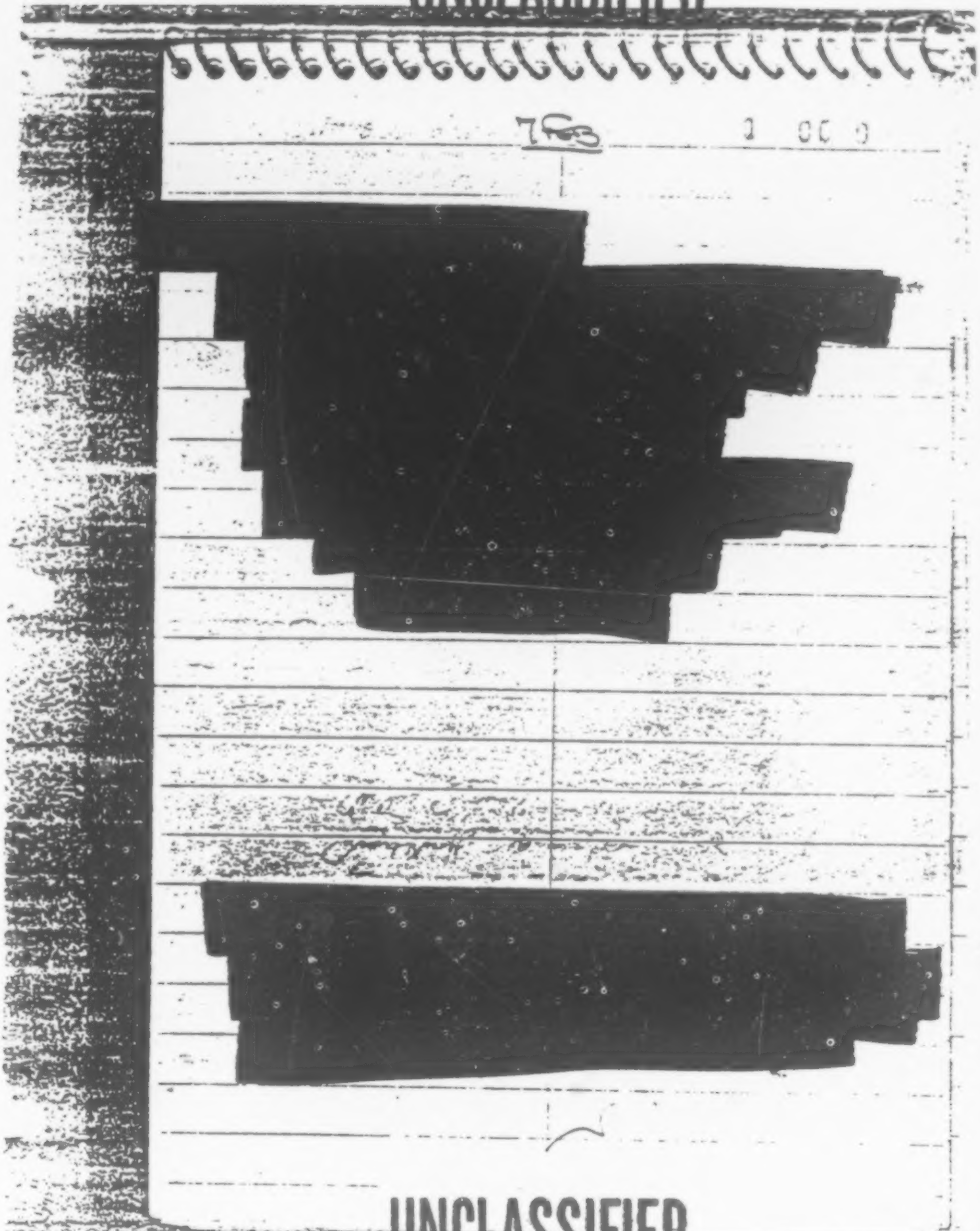

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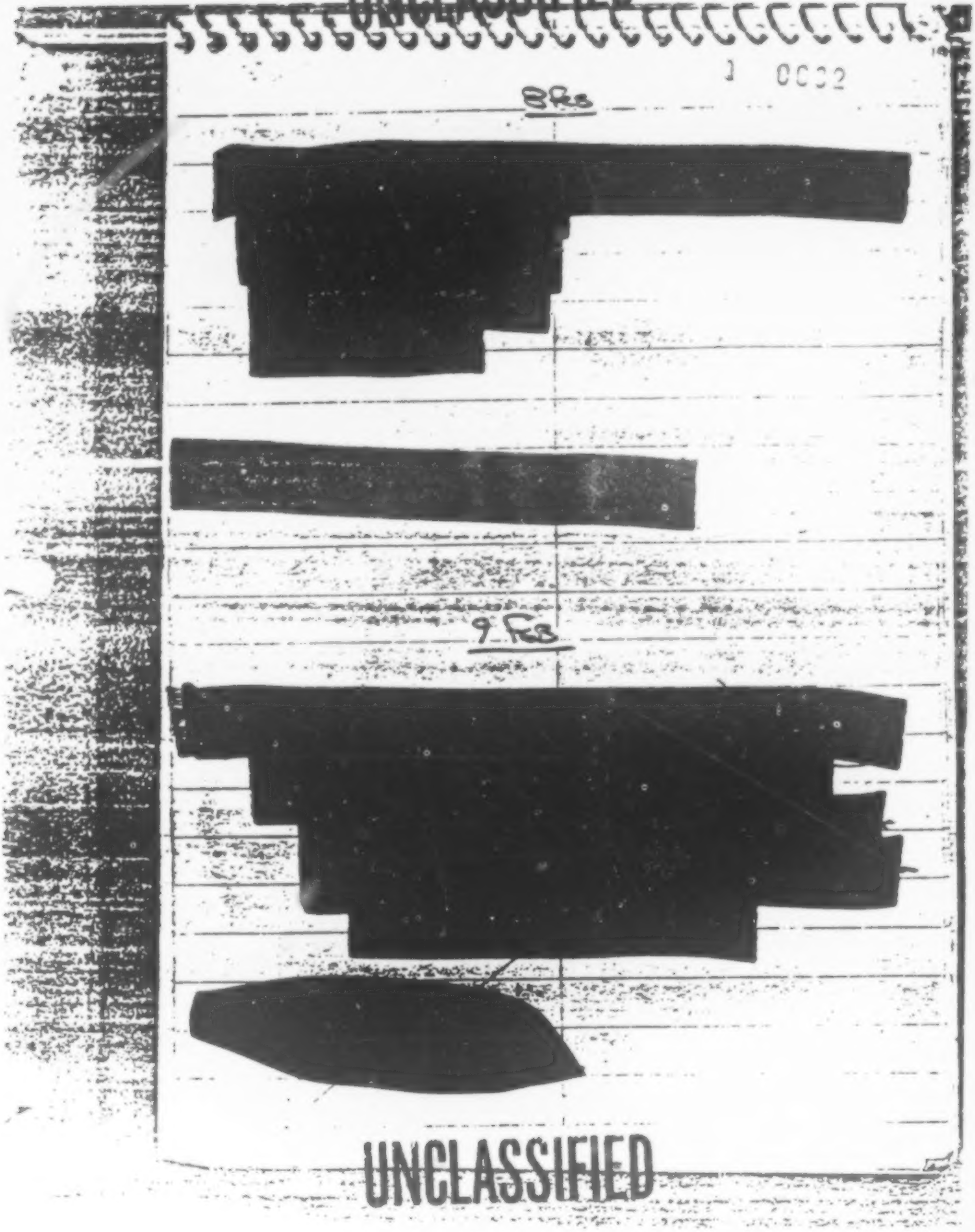

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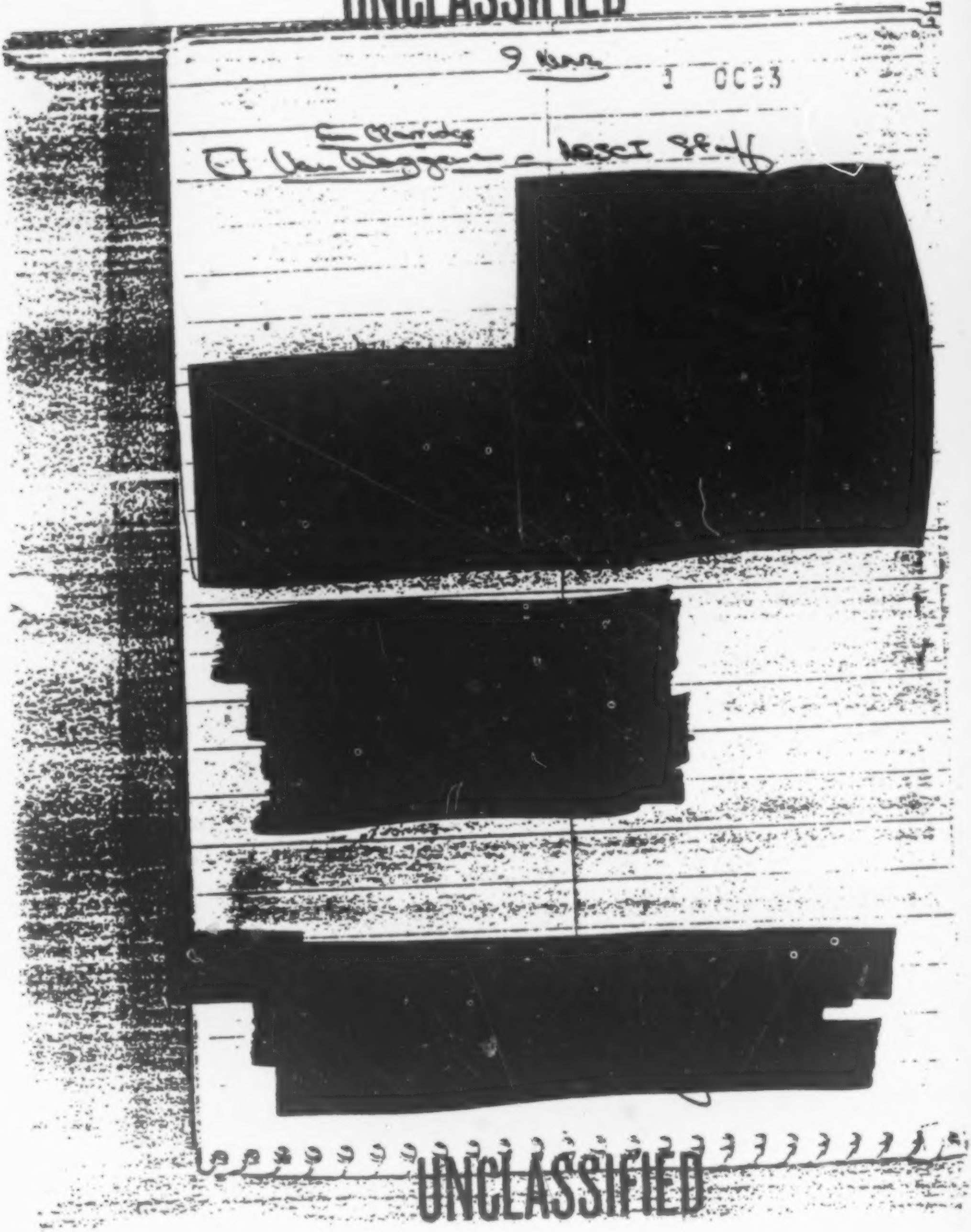

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☐ Call from Clarridge

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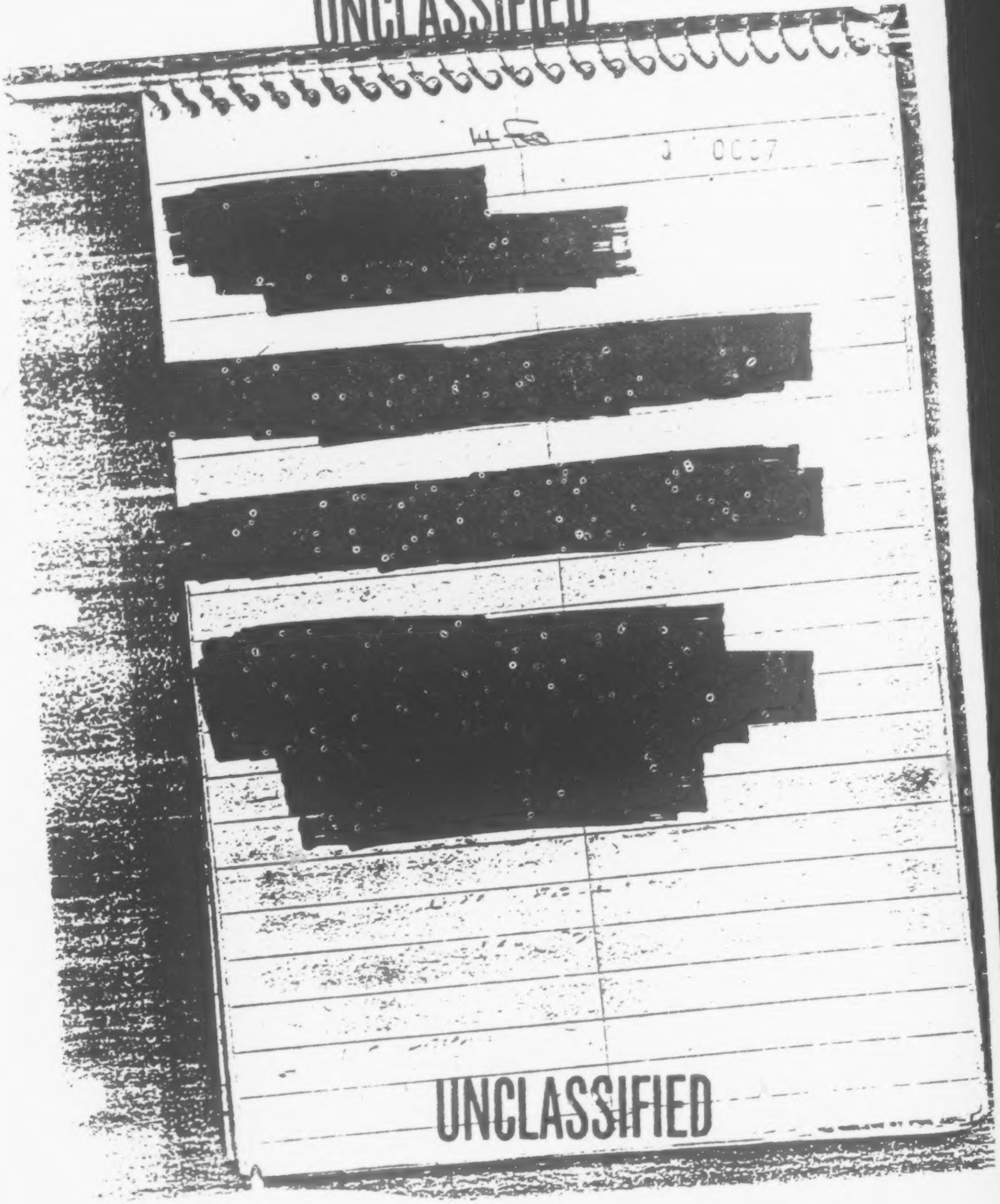

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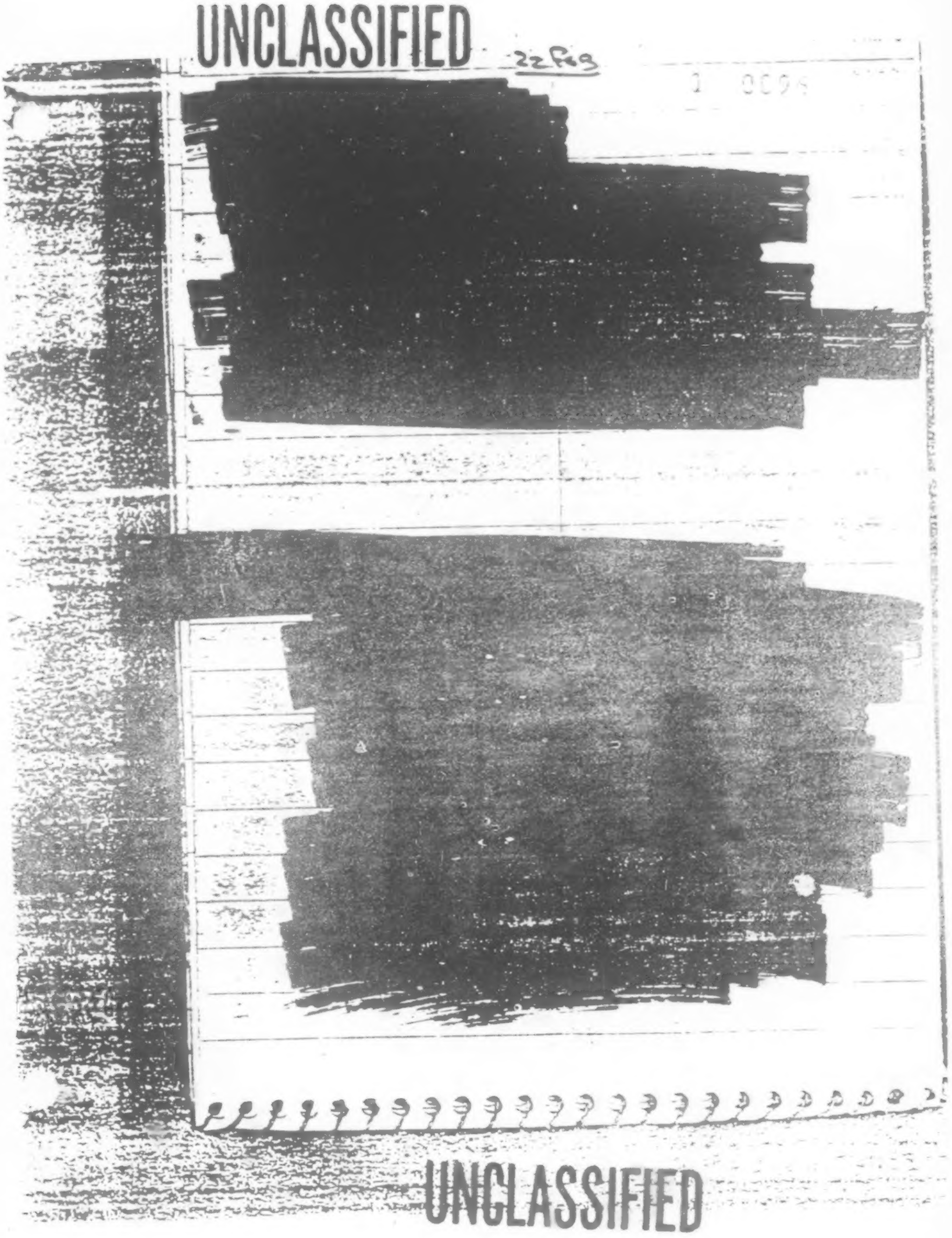

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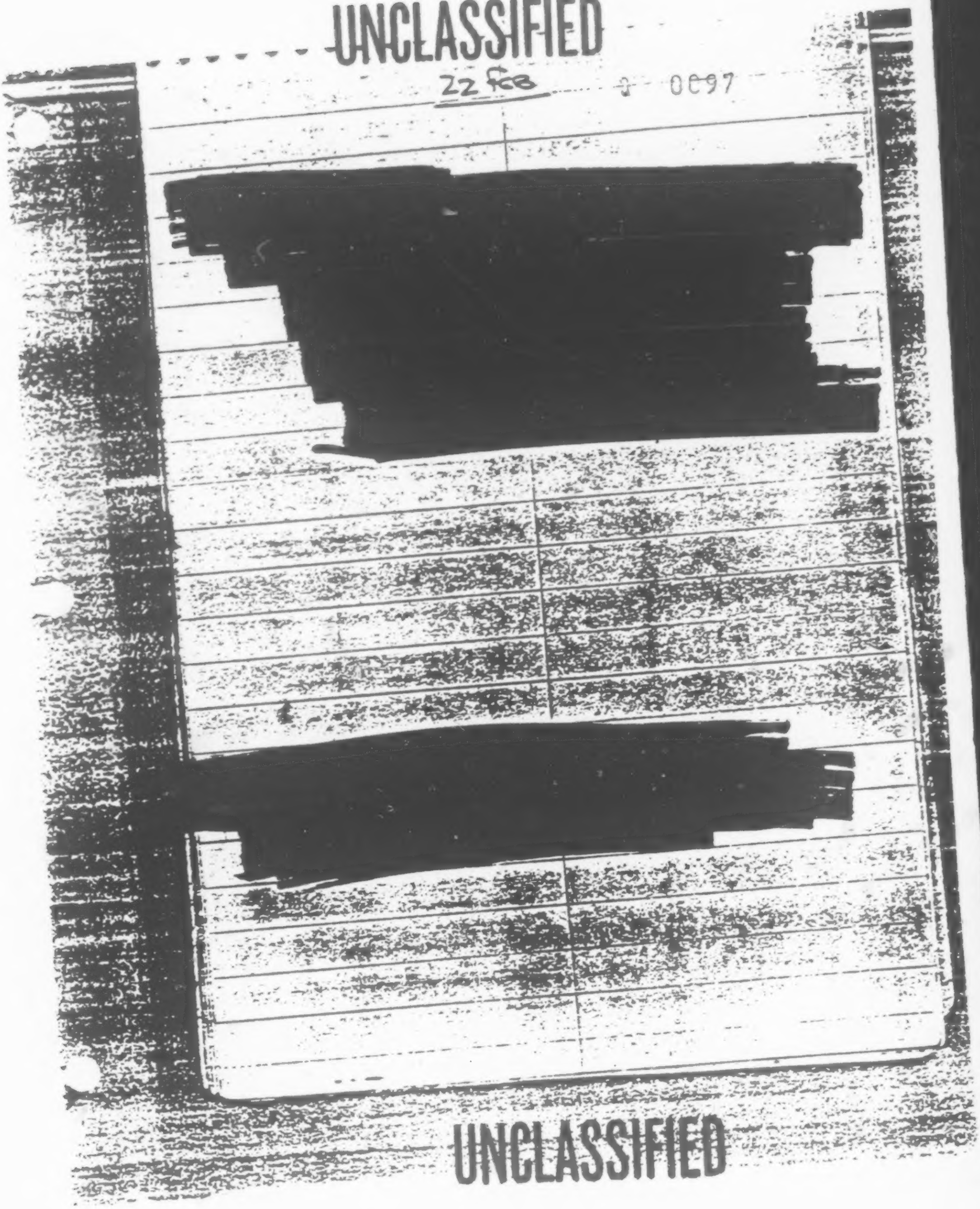

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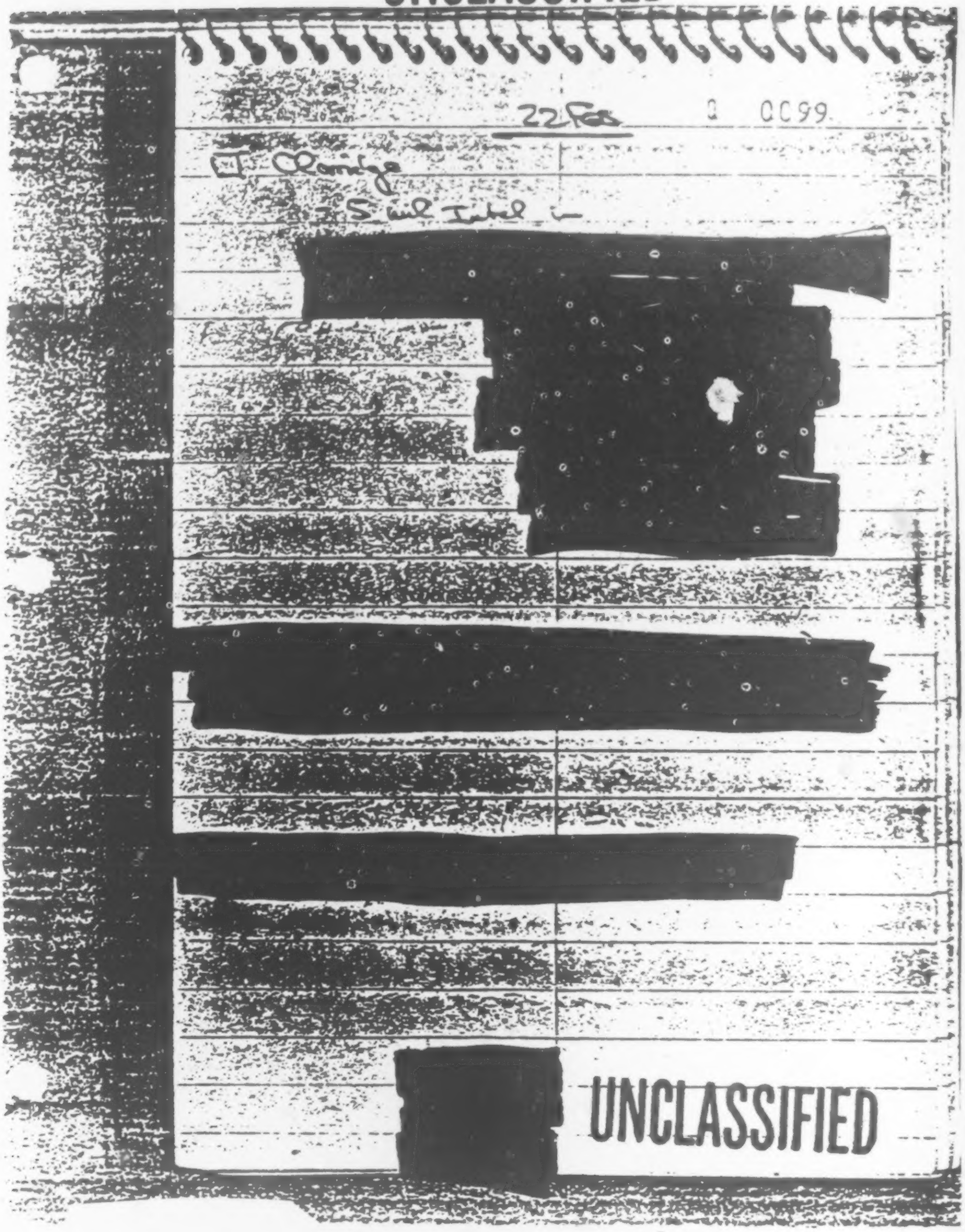

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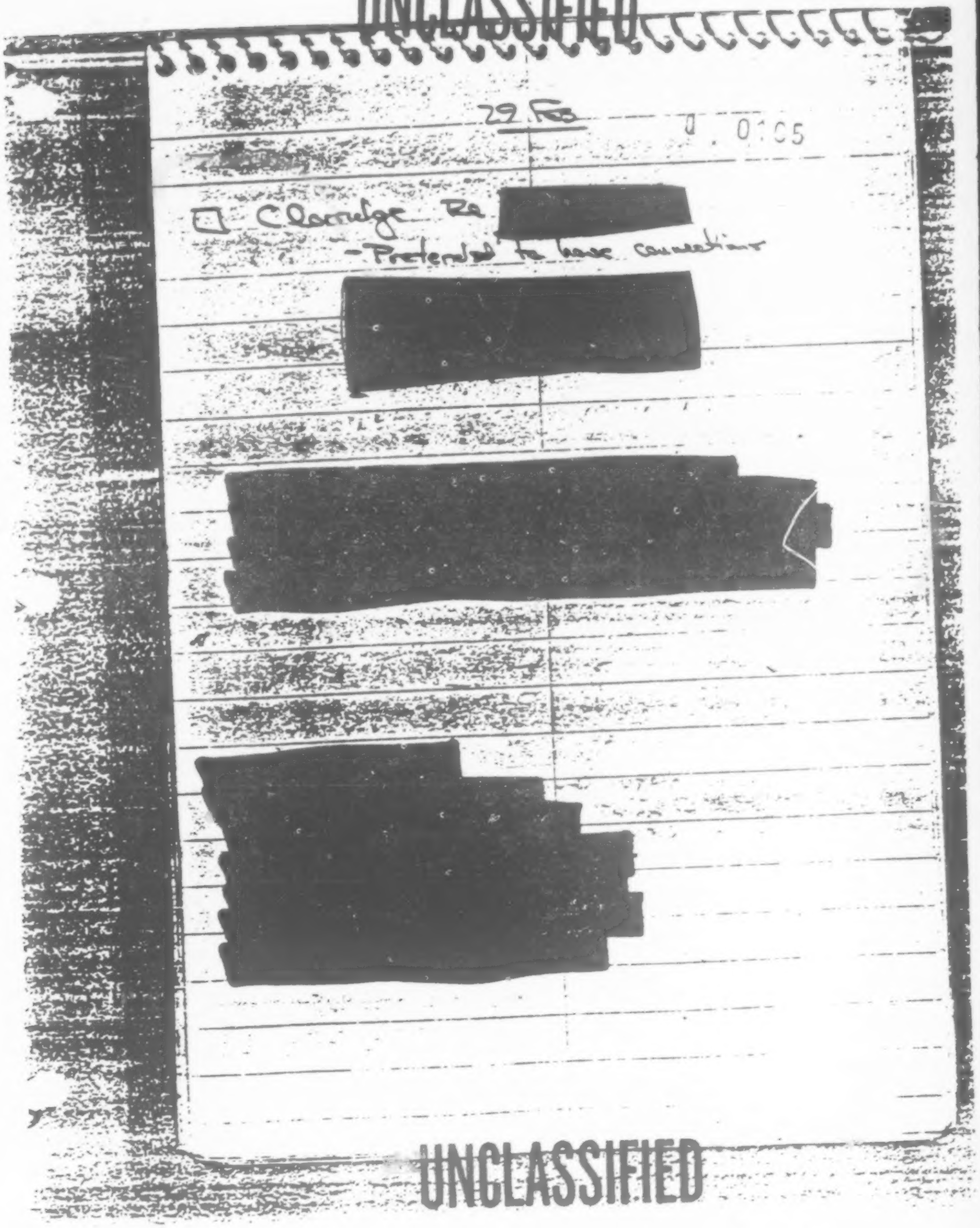

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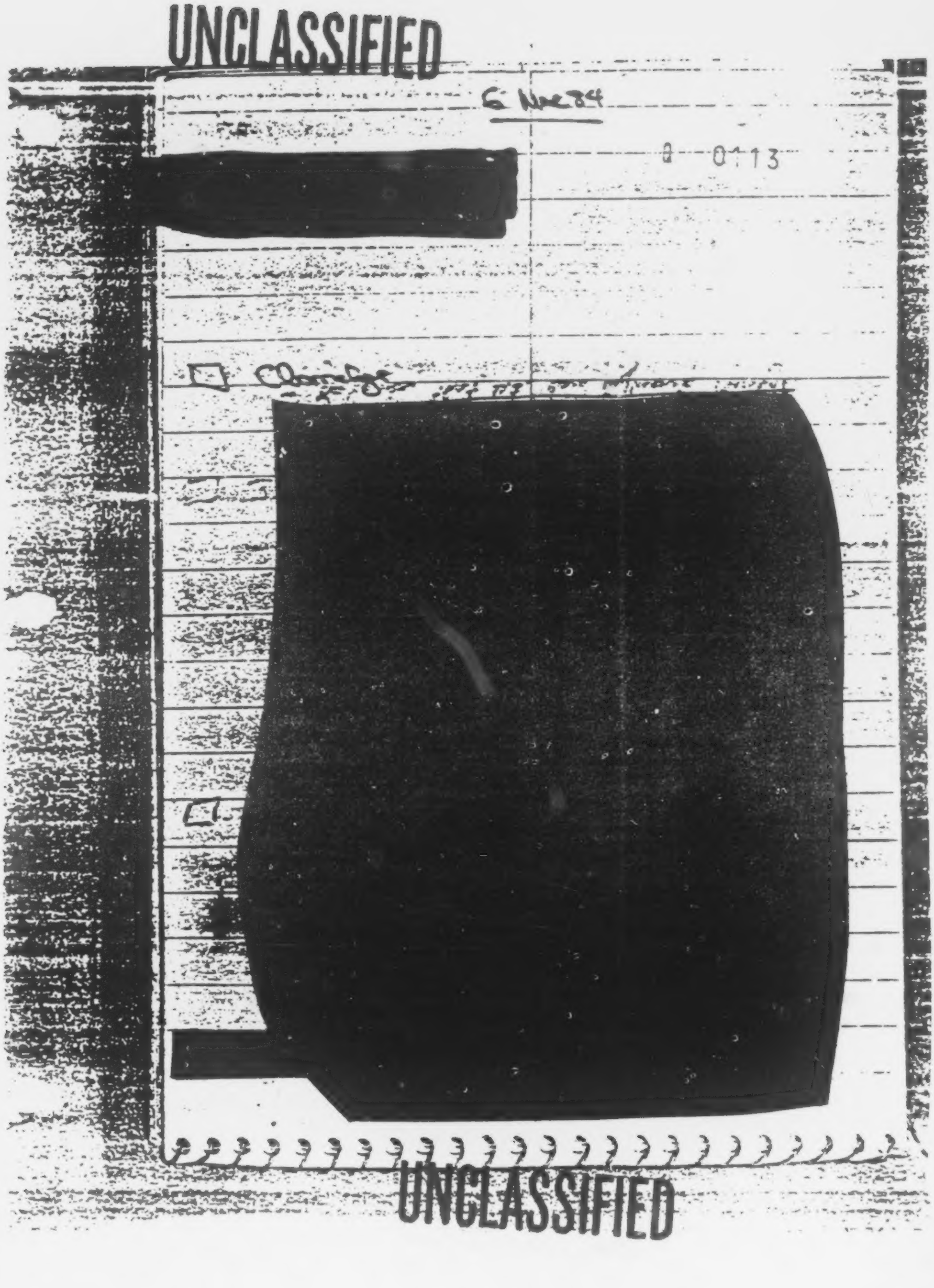

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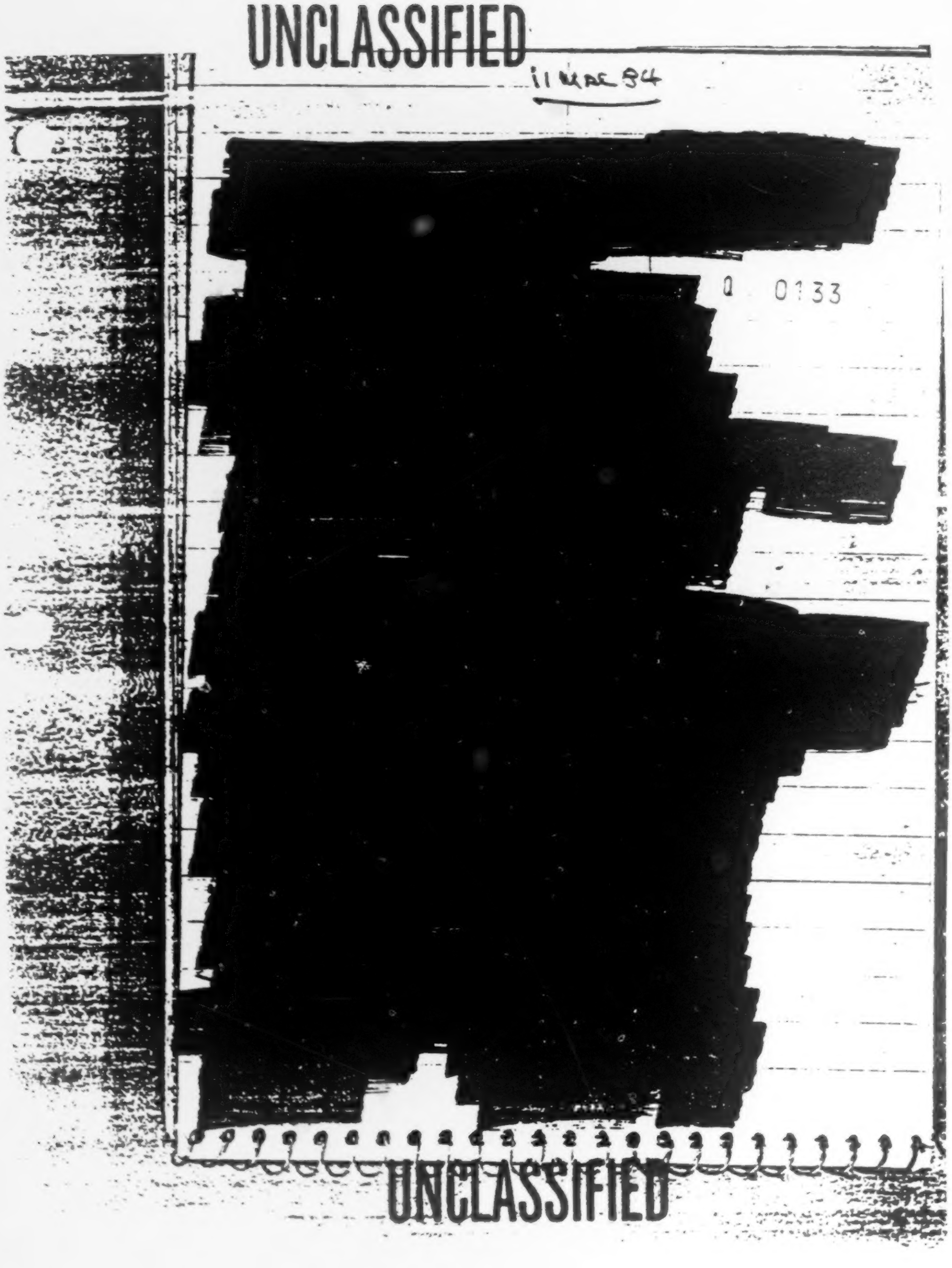

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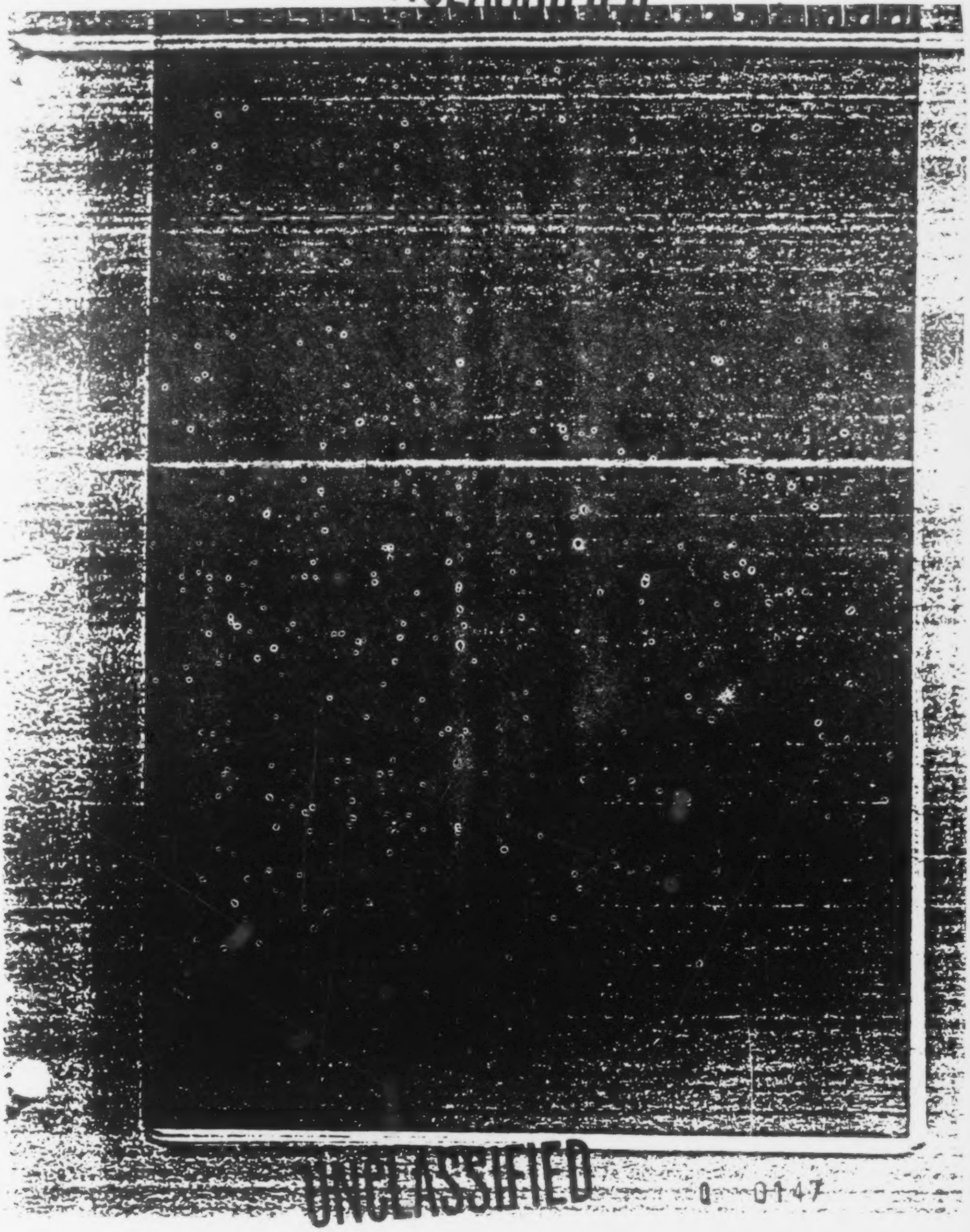

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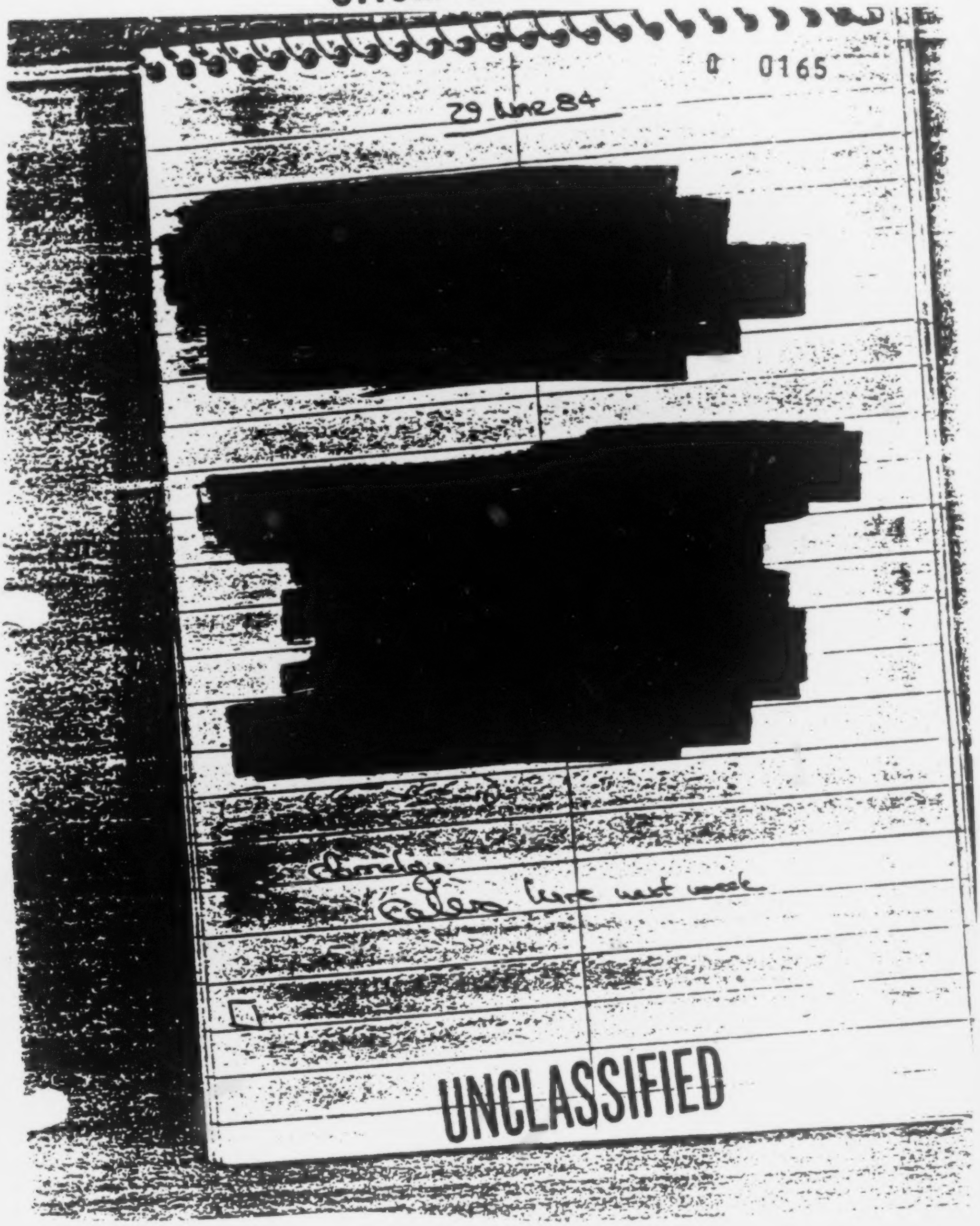

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Calero here next week

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See Hearing Exhibit DRC-23

MEMORANDUM **UNCLASSIFIED** :(2-94

NATIONAL SECURITY COUNCIL

91342
SYSTEM IV
400796

~~SECRET~~

November 4, 1983

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

N 40079

FROM: OLIVER L. NORTH [redacted]
CONSTANTINE MENGES

SUBJECT: Support for Nicaraguan Democratic Opposition

Ambassador Negroponte's cable at Tab A suggests an increase in our self-imposed limit on arms for the FDN from [redacted] to [redacted] weapons. He notes that there are currently more "ralliers" than there are arms to equip them.

The current Nicaraguan Finding (Tab B) imposes no limits on the numbers of weapons we provide. To date, we have provided [redacted] weapons to the FDN and [redacted] to the ARDE forces in the south. Director Casey has, after the fact, briefed the Select Committees on how many weapons we have provided each time we have increased the number.

State (Michel), Defense (Ikle), and CIA (Casey) agree with Ambassador Negroponte's request and believe that the weapons can and should be provided soon. The President and the Vice President have been asked to concur on these increases in each previous case. On one occasion the matter was brought before the NSPG. Given the urgency of the situation and the President's imminent departure, we do not believe that an NSPG needs to be called on this issue at this time.

RECOMMENDATION

That you initial the memo to the President at Tab I (please note the distribution).

Approve _____ Disapprove _____

cc: Ken deGraffenreid
Don Gregg

Attachments
Tab I - McFarlane Memo to the President
Tab A - Negroponte's Backchannel Cable of Nov. 4
Tab B - Current Nicaraguan Finding

NOT attached

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THE WHITE HOUSE

WASHINGTON

SYSTEM II
91472
SYSTEM IV
400796

November 7, 1983

N 40081

~~SECRET~~

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT C. MCFARLANE

SUBJECT: Support for the Nicaraguan Democratic Opposition

Ambassador John Negroponte in Tegucigalpa, Honduras, has recommended that we increase the number of weapons issued to the FDN forces from [redacted] He cites the increased number of "ralliers" to the anti-Sandinista cause and the momentum that the Democratic Resistance Forces currently maintain.

The current Finding establishes no limits on the number of weapons we can provide. We have a self-imposed ceiling of [redacted] FDN weapons that has been in effect since September 1983. We have also issued approximately [redacted] weapons to the ARDE units in the south.

The Departments of State and Defense and the DCI concur in Ambassador Negroponte's recommendation regarding the FDN. If you agree, the DCI, in accord with established procedures, will advise the Select Committees of the Congress during his next routine briefing.

RECOMMENDATION

Yes	No	
RR		1. That you authorize 3,000 additional weapons to be issued to the FDN forces, bringing the total number of weapons issued to the FDN to [redacted]

cc: The Vice President

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Chapter 2
Footnote 95

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SYSTEM IV
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Follow-on

MEMORANDUM

NATIONAL SECURITY COUNCIL

N 44831

~~SECRET~~

February 3, 1984

ACTION

2-95

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Attack on Guerrilla Command and Control Centers in Nicaragua

At dusk on February 2, five Cessna O-2 aircraft armed with 2.75 inch rockets attacked the ERP command and control center, training camp, and logistics facilities at Volcan Casita (see Point A on map). [redacted]

At dawn the following morning (February 3, [redacted] attacked the FSLN communications and naval arms depot at Aposeutillo. As in the raid the previous night, there were secondary explosions and minimial return fire. None of the aircraft were damaged.

Since the two attacks, radio Managua has claimed that three EPS soldiers were killed by A-37 aircraft attacking from Honduras, and that a "Ministry of Agriculture radio antenna was damaged." [redacted] confirms that radio Venceremos (the propaganda voice of the FMLN) is off the air. [redacted]

Significantly the GRN, which has been down playing CONTRA activity in recent weeks, has protested loudly over these attacks. Newspaper accounts in Managua today have variously accused ARDE, FDN, the U.S., and Honduras for the attack. [redacted]

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As a related issue, we made a conscious decision not to invite the Nicaraguan ambassador to today's ceremony in the East Room. The State Department or OPL did, however, invite Adolfo Colero, the political head of the FDN Colero. This may come to light publicly and we have asked State to provide some press guidance in the event the media here noticed. Colero has already been interviewed by several members of the Latin press.

RECOMMENDATION

That you brief the President using the points above.

Approve ✓ Disapprove ____

cc: Constantine Menges

Attachment
Tab A - Subject Map

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2, Footnote 95

SYSTEM IV
NSC/ICS-400064

MEMORANDUM

NATIONAL SECURITY COUNCIL

UNCLASSIFIED

January 23, 1984

~~TOP SECRET~~

SENSITIVE

ACTION

N 44837

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH
CONSTANTINE MENGES

SUBJECT: Targetting Guerrilla Command and Control Centers in Nicaragua

This is in response to your comment at this morning's director's meeting:

[redacted]

RECOM[redacted]ATION

That you brief the President on the points above.

Approve RCM Disapprove ____

Attachment
Tab A - Subject Map

Done. 1/23/84

(4502)

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TO[illegible]
D[illegible] OADR

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SENSITIVE

2-96

See Hearing Exhibit DRC-23

Ch 2 #72-962

N 44721

Document

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Document

N 30841 — N 30842
N 32296 — N 32300
7 pages

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[illegible] 8 July 87
[illegible]
[illegible]

1898

UNCLASSIFIED

To	Name and Address	Date	Initials
1	The President		
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5			
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XX	ACTION		FILE
	APPROVAL		INFORMATION
	COMMENT		PREPARE REPLY
	CONCURRENCE		RECOMMENDATION
	DIRECT REPLY		RETURN
	DISPATCH		SIGNATURE

REMARKS

cc: Oliver North (#2 &3)
Jim Radzimski (#4)
Constantine Menges (#5)
Don Fortier (#6)

2-100 to 102

TOP SECRET SENSITIVE

TOP SECRET

UNCLASSIFIED

N 16890

NSC/ICS CONTROL NO. 400122

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Council

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TOP SECRET SENSITIVE

UNCLASSIFIED

National Security Council
The White House

System # IV
Package # 400122 16891

[redacted]

	SEQUENCE TO	HAS SEEN	DISPOSITION
Bill Martin			
Bob Kimmitt	1	K	A
John Poindexter			
Wilma Hall			
Bud McFarlane	2	M	A
Bob Kimmitt			
NSC Secretariat			
Situation Room			
Jim	3		D

I = Information [✓ A = Action] R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other

COMMENTS

Should be seen by:
(Date/Time)

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SYSTEM II
NSC/ICS-400122

MEMORANDUM

NATIONAL SECURITY COUNCIL

TOP SECRET

ACTION

February 17, 1984 N 16892

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH
CONSTANTINE C. MENGES
KENNETH DEGRAFFENREID

SUBJECT: Central America Legislative Strategy -- The Jackson Plan and Additional Resources for Our Anti-Sandinista Program

Based on your guidance after the NSPG meeting this morning, we have prepared a memo from you to the President (Tab I) asking him to send a memo (Tab A) to the NSPG members on support for the $14M in additional resources. Both memos refer to this morning's meeting and the necessity for a concerted effort to obtain the requisite funds -- in conjunction with consultations on the Jackson Plan.

The memo from the President at Tab A does not mention the issue of a Congressional confrontation over winning or getting out. Al Keel and others advise that the leak potential would increase significantly if this dimension were to be included.

Please note that the President's memo at Tab A should be dated February 17, regardless of when it is signed.

Recommendation

That you initial and forward your memo to the President at Tab I.

Approve ✓ Disapprove ____

Attachments

Tab I McFarlane/President
Tab A Presidential memo to State, OSD, CIA, CJCS

TOP SECRET
Declassify: OADR

UNCLASSIFIED

N 16893

MEMORANDUM [illegible] 3 22 UNCLASSIFIED TOP SECRET

SYSTEM IV
NSC/ICS-400122

THE WHITE HOUSE

WASHINGTON

February 21, 1984

N 16894

TOP SECRET **SENSITIVE**

ACTION

[redacted]

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT C. MCFARLANE RCM

SUBJECT: Central America Legislative Strategy - Additional Funding for the Anti-Sandinista Forces

Issue: How can we best obtain additional resources for continuing this program?

Facts: As you were briefed at this morning's NSPG meeting, the FY-84 Defense Appropriation and Intelligence Authorization Acts limit funding for our operations in support of the Nicaraguan opposition forces to $24M. Unless an additional $14M is made available, the program will have to be drastically curtailed by May or June of this year. The Intelligence Authorization Act also asks for a Presidential report by March 15, on steps taken and recommendations for further action to achieve a negotiated settlement in Central America.

Discussion: Operations by the FDN, ARDE, and MISURA Indian opposition groups are the only significant pressure being applied against the regime in Managua. Should these efforts have to be terminated for lack of resources, we will have lost our principal instrument for restraining the Sandinistas from exporting their revolution and, in fact, for facilitating a negotiated end to the regional conflict. The international repercussions of this failure in American policy will affect friends and adversaries alike. We must avoid precipitating perceptions of a second "Bay of Pigs" or creating an environment conducive to the collapse of El Salvador or increasing the threat to Honduras.

The NSPG principals are in agreement that the only practical alternative is to approach the Congress with a concerted effort to obtain additional funding for this program, despite the anticipated strong resistance we expect. The memo at Tab A from you to the Secretaries of State and Defense, the Director of Central Intelligence, and the Chairman of the Joint Chiefs will serve to initiate such action. Copies are also provided to each of the NSPG members.

UNCLASSIFIED

The NSPG principals also agreed that this effort must be undertaken in concert with our strategy to obtain approval for legislation to implement the NBCCA report. Our spokesmen defending this legislative proposal must be prepared to defend our Nicaraguan program as vigorously as the other economic, humanitarian, and security assistance elements of the plan. We can also use the report required by the Intelligence Authorization Act as an opportunity to further this goal.

Recommendation:

OK No

✓ RR ____ That you sign the memo at Tab A.

Attachment
Tab A - Memo to Shultz/Weinberger/Casey/Vessey

Prepared by:
Oliver L. North

cc: Vice Presiden

211

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N 16896

[illegible]
THE WHITE HOUSE
WASHINGTON

SYSTEM IV
NSC/ICS-400122

N 16897

February 21, 1984

TOP SECRET

SENSITIVE

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

THE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

THE HONORABLE WILLIAM J. CASEY
The Director of Central Intelligence

GENERAL JOHN W. VESSEY, JR.
Chairman, Joint Chiefs of Staff

SUBJECT: Central America Legislative Strategy -- Additional Funding for Nicaraguan Democratic Opposition Forces (TS/S)

This afternoon I forwarded to the Congress our legislation to implement the recommendations of the National Bipartisan Commission on Central America (NBCCA). I have also reviewed and endorse the legislative and public diplomacy strategy for acheiving Congressional approval. (C)

Pursuant to our discussion at this morning's NSPG meeting, our approach to the Congress on the NBCCA legislation must also focus on obtaining sufficient funding to carry on our Nicaraguan democratic opposition program throughout FY-84. Not only is this course of action specified in NSDD-124, it is imperative if our increased assistance is to have a positive impact when it is available. We must make this a matter of highest priority as we consult with Congress in building support for the Jackson Plan. Increased resources of $14M for this endeavor are essential to continue these activities and prevent a major foreign policy reversal. I am determined that this program should continue. (TS/S)

Secretary Shultz and Director Casey should take the lead in presenting our case to the relevant Congressional members and committees on this issue. A concerted effort must be made by all Administration spokesman to explain the necessity of this program and its value in achieving our objectives--not only in the region, but worldwide as well.

TOP SECRET
Declassify: OADR

SENSITIVE

UNCLASSIFIED

[illegible]

N 16898

The Legislative Strategy Group under Jim Baker should determine the proper legislative instrument for obtaining these funds. The State Department should incorporate this effort within our overall strategy to obtain approval for legislation implementing the NBCCA recommendations. Secretary Shultz should draft, by March 8, 1984, a report responsive to Section 109 of the FY-84 Intelligence Authorization Act. The report should emphasize the necessity of this program in achieving a negotiated settlement in the region. All our efforts in the weeks ahead must make it clear that the Jackson Plan legislation and the resistance program are essential to U.S. national interests. (TS)

Ronald Reagan

CC: The Vice President
William French Smith
Edwin Meese III
David Stockman
Jeane J. Kirkpatrick
James A. Baker III
Robert C. McFarlane

UNCLASSIFIED

To	Name and Address	Date	Initials
1	JAMES A. BAKER, III		
2			
3			
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☐	ACTION	☐	FILE
☐	APPROVAL	☒	INFORMATION
☐	COMMENT	☐	PREPARE REPLY
☐	CONCURRENCE	☐	RECOMMENDATION
☐	DIRECT REPLY	☐	RETURN
☐	DISPATCH	☐	SIGNATURE

REMARKS

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N 16899

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THE WHITE HOUSE

WASHINGTON

February 21, 1984

SYSTEM II
NSC/ICS-400122

N 16900

TOP SECRET

SENSITIVE

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

THE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

THE HONORABLE WILLIAM J. CASEY
The Director of Central Intelligence

GENERAL JOHN W. VESSEY, JR.
Chairman, Joint Chiefs of Staff

SUBJECT: Central America Legislative Strategy -- Additional Funding for Nicaraguan Democratic Opposition Forces (TS/S)

This afternoon I forwarded to the Congress our legislation to implement the recommendations of the National Bipartisan Commission on Central America (NBCCA). I have also reviewed and endorse the legislative and public diplomacy strategy for acheiving Congressional approval. (C)

Pursuant to our discussion at this morning's NSPG meeting, our approach to the Congress on the NBCCA legislation must also focus on obtaining sufficient funding to carry on our Nicaraguan democratic opposition program throughout FY-84. Not only is this course of action specified in NSDD-124, it is imperative if our increased assistance is to have a positive impact when it is available. We must make this a matter of highest priority as we consult with Congress in building support for the Jackson Plan. Increased resources of $14M for this endeavor are essential to continue these activities and prevent a major foreign policy reversal. I am determined that this program should continue. (TS/S)

Secretary Shultz and Director Casey should take the lead in presenting our case to the relevant Congressional members and committees on this issue. A concerted effort must be made by all Administration spokesman to explain the necessity of this program and its value in achieving our objectives--not only in the region, but worldwide as well.

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NATIONAL SECURITY COUNCIL

February 13, 1984

[redacted]

TOP SECRET SENSITIVE N 16901

MEMO FOR ROBERT C. MCFARLANE

FROM: OLIVER NORTH

Per our phone call this morning, this package is forwarded for you to transmit to the President. Both the memo at Tab I to the President and the Tab A memo from the President leave the issue of where the money comes from open. We may want to take it from the reserve or request a supplemental for the intelligence program. What is most important, however, is that we obtain relief from the $24M ceiling. The President's memo at Tab A notes that this is our objective and makes it clear that Shultz and Casey must defend our Nicaraguan program as essential to a negotiated settlement in the region and our national interests. State, CIA, NSC, and OMB are in agreement with this approach.

[redacted]

Attachment
Package SYSTEM IV NSC/ICS-400122
dtd Feb. 7, 1984

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[redacted]

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National Security Council
The White House

System # IV 16502
Package # 400122

	SEQUENCE TO	HAS SEEN	DISPOSITION
Bill Martin	2		I
Bob Kimmitt	1	K	
John Poindexter			
Wilma Hall			
Bud McFarlane			
Bob Kimmitt			
NSC Secretariat			
Situation Room			
North	3		Funding [illegible] for [illegible] acct

I = Information   A = Action   R = Retain   D = Dispatch   N = No further Action

cc: VP Meese Baker Deaver Other

COMMENTS

Should be seen by:
(Date/Time)

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18

National Security Council
The White House

[redacted]

84 FEB 10 P6: 37

System # IV N 16903
Package # 400122

	SEQUENCE TO	HAS SEEN	DISPOSITION
Bill Martin	1		A
Bob Kimmitt			
John Poindexter			
Wilma Hall	2		
Bud McFarlane		M	
Bob Kimmitt			
NSC Secretariat	[illegible]		[illegible]
Situation Room			

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cc: VP Meese Baker Deaver Other ____________

COMMENTS Should be seen by: ____________
(Date/Time)

Please [illegible] to [illegible] ASAP

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[illegible] N 16904

spil [illegible] out

The money [illegible]

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[illegible] kill.

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D[illegible]

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[redacted]

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NATIONAL SECURITY COUNCIL

February 10, 1984

N 16905

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attached

SENSITIVE

MEMCRANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Additional Funding for Nicaraguan Democratic Opposition Forces (TS/S)

Per you note attached, Tab A to this package has been revised. The changes made are indicated on the marked-up copy which is attached.

[redacted]

Bud -
1) per your instruction Ollie has redrafted.

2) Please review and indicate whether we should DACOM to John.

Bill

UNCLASSIFIED

SECRET

[redacted]

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National Security Council
The White House

System # II N 16906
Package # 400122

	SEQUENCE TO	HAS SEEN	DISPOSITION
Bill Martin	1	WM	
Bob Kimmitt			
John Poindexter			
Wilma Hall	2		
Bud McFarlane			
Bob Kimmitt			
NSC Secretariat			
Situation Room			

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cc: VP Meese Baker Deaver Other

COMMENTS Should be seen by: (Date/Time)

[redacted]

Sect that directive
doesn't say what
to get that in the
money
authorization
not attached
plan

UNCLASSIFIED

To	Name and Address	Date	Initials
1	R. C. McFarlane	2/21	M
2			
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	ACTION		FILE
	APPROVAL	XX	INFORMATION
	COMMENT		PREPARE REPLY
	CONCURRENCE		RECOMMENDATION
	DIRECT REPLY		RETURN
	DISPATCH		SIGNATURE

REMARKS

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N 16907

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MEMORANDUM

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NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400122

N 16908

February 7, 1984

TOP SECRET **SENSITIVE**

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH
ALTON KEEL

SUBJECT: Additional Resources for our Anti-Sandinista Program

Based on your guidance at our meeting this morning, we have prepared a memo from you to the President (Tab I) asking him to send a memo (Tab A) to those most concerned with this issue. Your memo provides straightforward background on the resource requirements and cites the need for a concerted effort in order to achieve success.

Today's events regarding the situation in Lebanon make the points in your memo--and subsequent action--even more imperative. If this program founders for lack of funds, we may very likely suffer a major foreign policy reversal with repercussions well beyond Central America. The [redacted] already concerned about our continued trade with Nicaragua and lack of response to the killing of Warrant Officer Schwab, could soon have to contend with 10,000-12,000 armed and very unhappy, unpaid resistance fighters.

Please note that Dr. Kissinger, in private meetings today with Speaker O'Neill and HPSCI Chairman Boland, defended this program most eloquently. He believes that with a well led and cooperative effort we can carry the day on this issue. He has not yet been made aware of the magnitude of our shortfall.

Congressional resistance on this issue is formidible to the degree that prospects for success are bleak even with a concerted effort. At some point, we may have to reassess our prospects and decide whether prudence requires that we somehow stretch out FY-84 effort to avoid running out of funds.

TOP SECRET **SENSITIVE**
Declassify: OADR

~~TOP SECRET~~ UNCLASSIFIED

Because the President's memo cites the NSDD which we have just forwarded for transmission to the coast, we should ensure that Tab I and Tab A are held until the NSDD is received. This also increases the urgency for getting a signed NSDD distributed to the principals.

16919

RECOMMENDATION

That you initial and DACOM your memo to the President with Tab A attached.

Approve ✓ Disapprove _____

Attachments
Tab I - McFarlane Memo to the President
Tab A - Presidential Memo to State, OSD, CIA, JCS

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THE WHITE HOUSE

WASHINGTON

SYSTEM IV
NSC/ICS-400122

N 16910

February 16, 1984

TOP SECRET **SENSITIVE**

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT C. MCFARLANE

SUBJECT: Support for the Anti-Sandinista Forces

Issue: How can we best obtain additional resources for continuing this program?

Facts: The FY-84 Defense Appropriation and Intelligence Authorization Acts limit funding for our operations in support of the Nicaraguan opposition forces to $24M. Unless an additional $12-$14M is made available, the program will have to be drastically curtailed by May or June of this year. The Intelligence Authorization Act also asks for a Presidential report by March 15, on steps taken and recommendations for further action to achieve a negotiated settlement in Central America.

Discussion: In accord with your Finding of September 19, 1983, we currently provide support and guidance for the [redacted] opposition groups. Their operations [redacted] are the only significant pressure being applied against the regime in Managua. Should this effort collapse for lack of resources, we will have lost our principle instrument for restraining the Sandinistas from exporting their revolution and, in fact, for facilitating a negotiated end to the regional conflict. The international repercussions of this failure in American policy will affect friends and adversaries alike. We must avoid precipitating perceptions of a second "Bay of Pigs" or creating an environment conducive to the collapse of El Salvador or increasing threats to Honduras.

Our only practical alternative is to approach the Congress with a concerted effort to obtain additional funding for this program, despite the anticipated strong resistance we expect. The memo at Tab A from you to the Secretaries of State and Defense, the Director of Central Intelligence, and the Chairman of the Joint Chiefs will serve to initiate such action.

TOP SECRET **SENSITIVE**
Declassify: OADR

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~~TOP SECRET/SENSITIVE~~

SYSTEM IV
NSC/ICS-400122

N 16911

THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

THE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

THE HONORABLE WILLIAM J. CASEY
The Director of Central Intelligence

GENERAL JOHN W. VESSEY, JR.
Chairman, Joint Chiefs of Staff

SUBJECT: Additional Funding for Nicaraguan Democratic Opposition Forces (TS/S)

The recent National Security Decision Directive on promoting democracy, economic improvement, and peace in Central America calls for immediate efforts to obtain sufficient funding to carry on our Nicaraguan democratic opposition program throughout 1984. This must be a matter of highest priority as we proceed to build support for our legislation to implement the recommendations of the National Bipartisan Commission on Central America (NBCCA). Increased resources of $12-$14M for this endeavor are essential to ~~continue~~ maintain these activities and prevent a major foreign policy reversal. I am determined that this program should continue. (TS/S)

Secretary Shultz and Director Casey should take the lead in ~~[illegible]~~ presenting our case to ~~the~~ relevant Congressional members and committees ~~on this issue~~. A concerted effort must be made by all Administration spokesmen to explain the necessity of this program and its value in achieving our objectives--not only in the region, but worldwide as well. ~~This should be~~ we should make this a part of our overall strategy to obtain approval for legislation implementing the NBCCA recommendations. Secretary Shultz should also draft, by March 8, 1984, a report responsive to Section 109 of the FY-84 Intelligence Authorization Act. The report should emphasize the necessity of this program in achieving a negotiated settlement in the region. We must all make it clear that this program is essential to U.S. national interests. (TS/S)

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~~SENSITIVE~~

SENSITIVE

TOP SECRET

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SENSITIVE

N 16912

2/21
DD:
Call Al Keel please and let's have an LSG to decide this. Keel supposedly preparing a paper w/the options.
Thanks - JAB III

The Legislative Strategy Group under Jim Baker should determine the proper legislative instrument for obtaining these funds. The State Department should incorporate this effort within our overall strategy to obtain approval for legislation implementing the NBCCA recommendations. Secretary Shultz should draft, by March 8, 1984, a report responsive to Section 109 of the FY-84 Intelligence Authorization Act. The report should emphasize the necessity of this program in achieving a negotiated settlement in the region. All our efforts in the weeks ahead must make it clear that the Jackson Plan legislation and the resistance program are essential to U.S. national interests. (TS)

Ronald Reagan

CC: The Vice President
William French Smith
Edwin Meese III
David Stockman
Jeane J. Kirkpatrick
James A. Baker III
Robert C. McFarlane

~~TOP SECRET~~ UNCLASSIFIED

SENSITIVE

TOP SECRET

UNCLASSIFIED

[redacted]

National Securit
The White

N 16913

	SEQUENCE TO	HAS	
Bill Martin	1	WFM	
Bob Kimmitt			
John Poindexter	2		
Wilma Hall	3		
Bud McFarlane	4		A
Bob Kimmitt			
NSC Secretariat			A
Situation Room			
Jmp ③			

[redacted]

I = Information A = Action R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other

Should be seen by: ______
(Date/Time)

COMMENTS

[redacted]

UNCLASSIFIED 2-105

Document

N 7067- 7097

(31 pp)

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Declassified/Released on 8 July 87
under provisions of E.O. 12356
by B. Reger, National Security Council

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UNCLASSIFIED 2-107

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ote 107
N 81236
N43406

THE WHITE HOUSE
WASHINGTON

April 5, 1984

UNCLASSIFIED
SECRET

SENSITIVE

Dear Senator Baker:

In his letter to you last evening, the President indicated that we do "not seek to destabilize or overthrow the Government of Nicaragua; nor to impose or compel any particular form of government there." He also noted that "we are trying, among other things, to bring the Sandinistas into meaningful negotiations and constructive, verifiable agreements with their neighbors on peace in the region." The phrase "among other things" in the President's letter refers to activities authorized by the Finding of September 19, 1983. (S)

It is important to note that all our support for the Nicaraguan Democratic Resistance Forces is carried out in accord with this Finding. Equally significant is the fact that this same Finding also clearly states that we will provide support, equipment, and training to the Nicaraguan Opposition Forces in order to: (S)

-- induce the Sandinistas, Cubans, and their allies to cease their support for insurgencies in the region; (S)

-- hamper Cuban/Nicaraguan arms trafficking; and (S)

-- divert Nicaragua's resources and energies from support to Central American guerrilla movements. (S)

1/26/87

Finally, the Finding clearly states that we will cease our support for the resistance movement when it is verified that:

-- the Soviets/Cubans/Sandinistas cease providing--through Nicaragua--arms, training, command and control, and other support for guerrillas operating in or against other countries in Central America; and (S)

-- the Sandinistas demonstrate a commitment to amnesty and non-discriminatory participation for all Nicaraguans in their political process. (S)

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Declassify: OADR

SENSITIVE

4503

Rcm Fuls #6
4/2/87

This program is essential if friendly Central American nations are to strengthen their democratic, political institutions and achieve economic and social development--free from Soviet, Cuban, and Sandinista interference. It is, in the opinion of the democratic leaders in the region who have communicated with the President on this matter, critical to achieving a negotiated political resolution of international tensions in Central America. This view was reflected in the report of the National Bipartisan Commission on Central America. (S)

The Commission accurately noted that the opposition forces represent the only real pressure being brought to bear on the Sandinista regime. Perhaps most importantly, the resistance forces offer the only real hope to the people of Nicaragua that the promises made by the Sandinistas to the OAS in July 1979 will ever be met. (S)

Please be assured that we have not deviated from the strictest interpretation of this Finding. (U)

Robert C. McFarlane

Robert C. McFarlane

The Honorable Howard Baker
Majority Leader
United States Senate
Washington, D.C. 20510

Charlie 2. 2-114 to 115 1,115 7115 931

N 43393

UNCLASSIFIED

National Security Council
The White House

System # II

Package # 90047

	SEQUENCE TO	HAS SEEN	DISPOSITION
Bill Martin	1	LFM	
Bob Kimmitt	✓	K	
John Poindexter	3	JP	
Wilma Hall			
Bud McFarlane	4		
Bob Kimmitt			
NSC Secretariat			
Situation Room			

John Let's discuss

Bud,
We should have Ollie [illegible] deliver a copy to all principals plus Al Keel.

I = Information [✓ A = Action] R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other

COMMENTS Should be seen by: (Date/Time)

We should run this by the principal agencies, as well as have a discussion with Al Keel. If the LSG has decided fully to endorse the Commission report, then OMB should be told (by Dawson) that the money issue is settled and the question is how to set the increases.

4504

UNCLASSIFIED

F.M. Files 4/2/5 N

UNCLASSIFIED

90047

MEMORANDUM

N 43394

~~CONFIDENTIAL~~
~~W/TOP SECRET~~ ATTACHMENT

NATIONAL SECURITY COUNCIL

ACTION

January 13, 1984

MEMORANDUM FOR ROBERT C. McFARLANE

FROM: CONSTANTINE MENGES cm
OLIVER NORTH

SUBJECT: Central America - Draft NSDD to Implement NSPG Decisions of January 6, 1984

At Tab I, we have attached a draft NSDD to implement the decisions of the January 6, 1984 NSPG.

Two items might be controversial:

-- Our citing of the specific budget amounts for the FY'84 supplemental; all agenc~~ies except OMB~~ are willing to go with these amounts and they agree~~ the bi-partisan~~ commission amounts.

-- The last paragraph on possible economic sanctions against Nicaragua uses wording suggested by Roger Robinson, who also prepared the memorandum on this topic at Tab II. Roger's view is that you can fairly use the secrecy rationale for keeping this issue within the NSPG context, rather than having the SIG-IEP do the analysis which in his view makes any action less likely and risks immediate public disclosure.

RECOMMENDATION

That you approve the NSDD so that we may submit it to each of the principals for their review, with your final approval to be given early next week in the event major changes are suggested.

Approve ____ Disapprove ____

Attachments
Tab I - Draft NSDD
Tab II - Roger Robinson Memo

~~CONFIDENTIAL~~
~~W/TOP SECRET~~ ATTACHMENT
Declassify on: OADR

4504

UNCLASSIFIED

I think we
ought to
ask for compr
hensive NSD
as part of HA
Comm review w
directed last
Thus
could
a

1-16-84

TOP SECRET

SYSTEM II
90047
N 43395

THE WHITE HOUSE
WASHINGTON

TOP SECRET

SENSITIVE

[redacted]

CENTRAL AMERICA: PROMOTING DEMOCRACY, ECONOMIC IMPROVEMENT, AND PEACE (S)

At the conclusion of an Executive Branch strategy review and taking account of the recommendations of the Bipartisan Commission on Central America, we remain committed to the four elements of our policy: support for the implementation of democracy; efforts to raise living standards; dialogue for the resolution of internal disputes through democratic elections and international conflicts through verified agreements; and, security assistance to governments threatened by communist subversion and guerrilla warfare. (S)

The Bipartisan Commission report agrees ~~with our view~~ that the United States must provide levels of assistance which are adequate to help friendly governments and democratic groups succeed because the alternative could be the destabilization of the entire region [redacted] In order to accomplish our objectives, the following actions will be taken: (S)

move to end

- o The Director of OMB together with the Secretary of State and the Secretary of Defense will coordinate to obtain substantially increased economic and security assistance resources for the countries in the region: an FY 84 supplemental budget request in the range of $669M ($410M economic and $259M security assistance) and an increase in FY 85 funding of approximately $750M ($500M economic and $250M security assistance). (S)

- o The Secretary of State in coordination with the Secretary of Defense and the Director of Central Intelligence will implement the following diplomatic strategy: (S)

  -- In Nicaragua: our ~~bottom line~~ objective for the Nicaraguan government must include [redacted]

TOP SECRET
DECLASSIFY ON: OADR

TOP SECRET

UNCLASSIFIED

1 page N 43396

Chapter 2, Footnotes 114, 115

DENIED IN TOTAL

UNCLASSIFIED

should be undertaken

N 43397

TOP SECRET

3

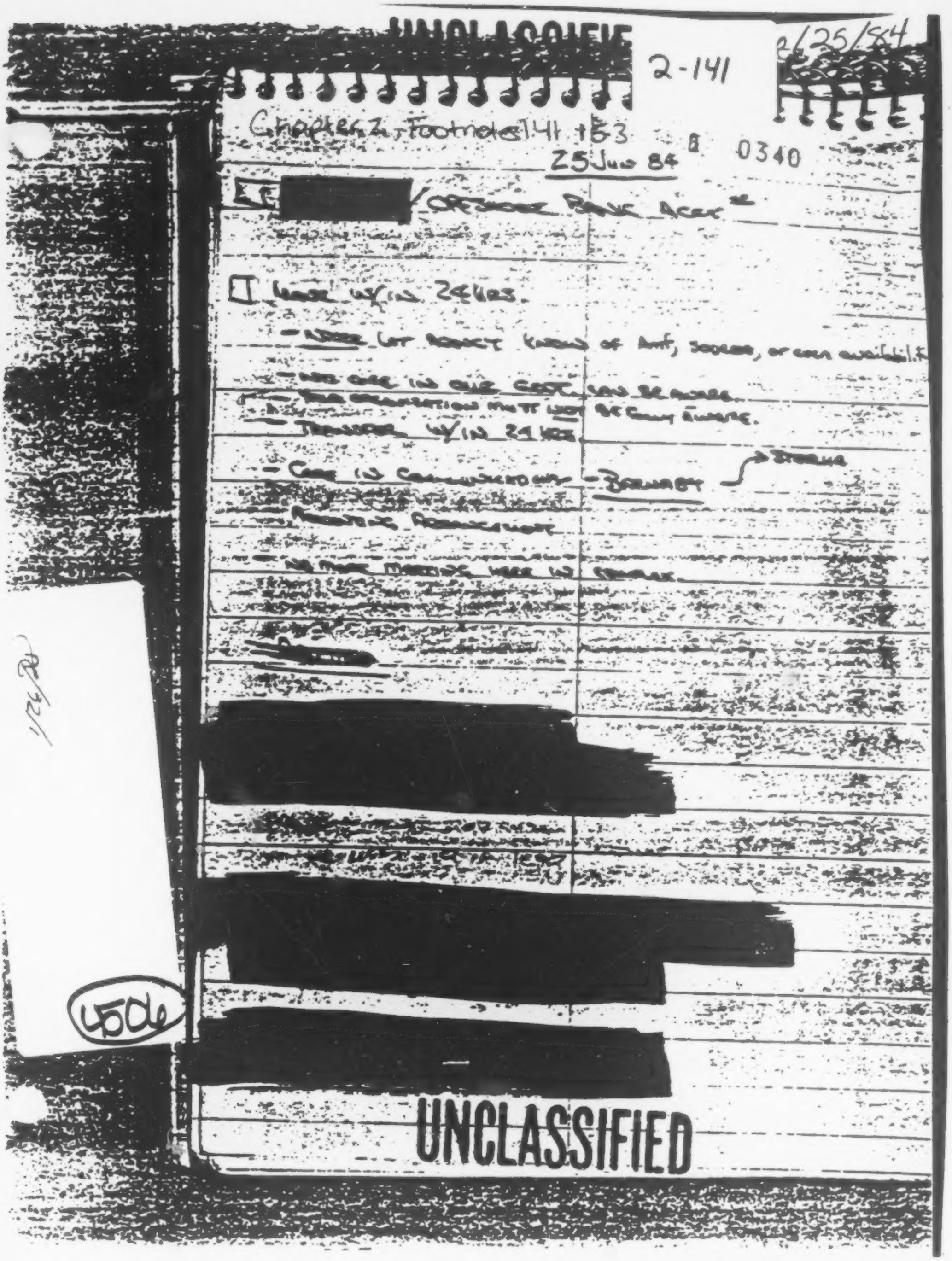
SENSITIVE

democratic commitments. ~~There will be~~ immediate
efforts to obtain additional funding of $10-15 million
~~from foreign or domestic sources to make up for the~~
~~fact that the current $24 million appropriation will~~
~~sustain operations only through June 1984~~. (TS)

so to a o reg. progr thru 7

[redacted]

UNCLASSIFIED TOP SECRET UNCLASSIFIED



UNCLASSIFIE

2-141

6/25/84

Chapter 2, Footnotes 141 + 53

25 Jun 84 8 0340

E [redacted] / Offshore Bank Acct

☐ Wire w/in 24 hrs.

- Never let anyone know of amt, source, or even availability

- No one in our govt can be aware.

- Your organization must not be fully aware.

- Transfer w/in 24 hrs.

- Code in communications - Barnaby → Sterling

- [illegible] Arrangement

- No more meetings here in [illegible]

[redacted]

[redacted]

[redacted]

4506

UNCLASSIFIED

Chapter 2, Footnote 141 0 0338

24 June 84

☐ NSPG - 1400 - 1500

☐ LSG ?

☐ Calero Mtg - 0830

☐ Call to RCM re arrangements

☐ Discussion w/ DC

- Rebels - [illegible]

- A.C.

[illegible] [illegible]

- Cas , Perez, Victor [illegible] - coming [illegible]

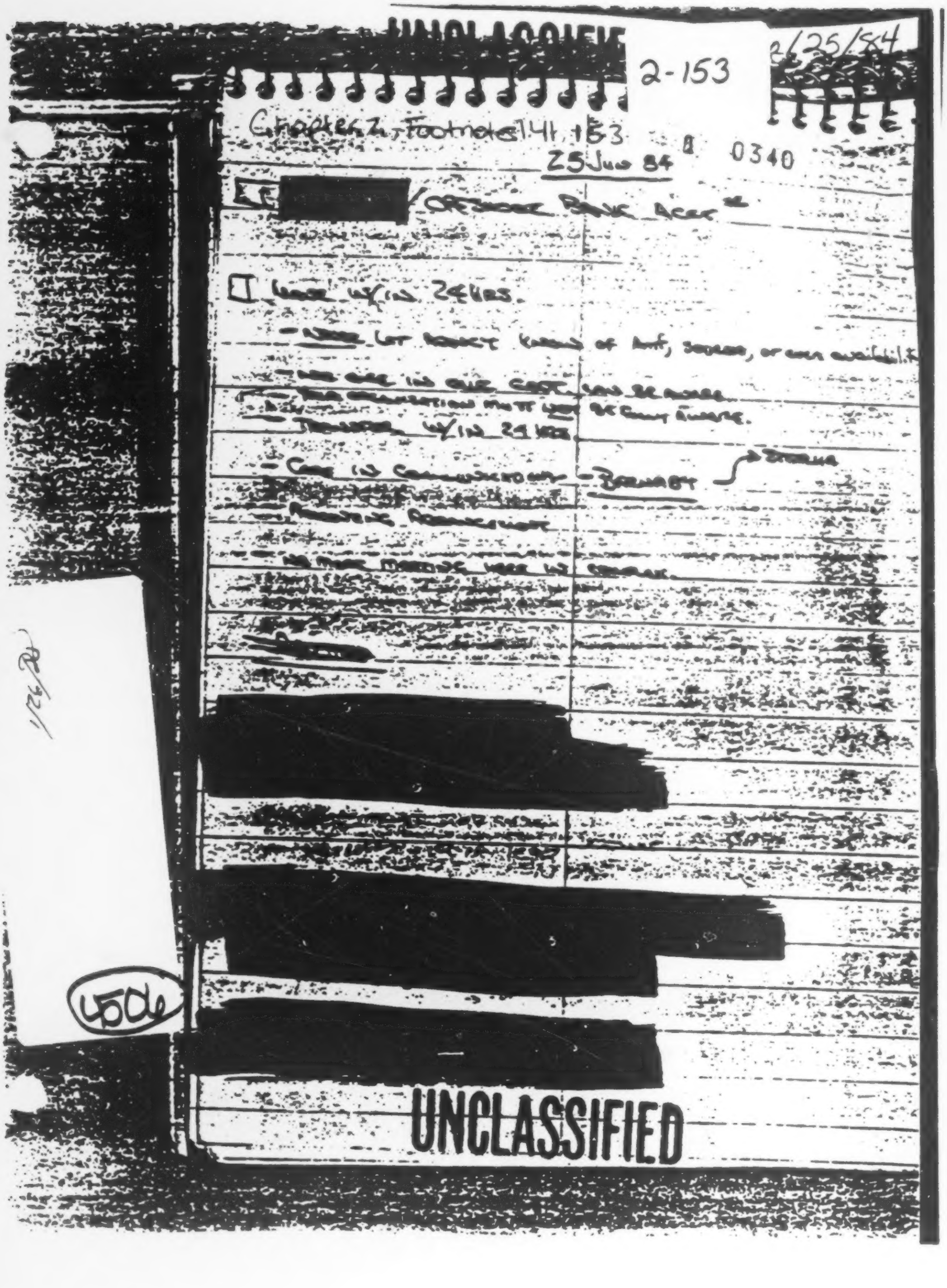
- [illegible] - [illegible] King

[redacted]

1/26/88

4507

UNCLASSIFIED



UNCLASSIFIED

2-153

8/25/84

Chapter 2, Footnote 141, 153

25 Jun 84 0340

[redacted] / Offshore Bank Acct #

☐ Made w/in 24 hrs.

- [illegible] let nobody know of amt, source, or even availabil.
- No one in our govt. can be aware.
- [illegible] organization must not be fully aware.
- Transfer w/in 24 hrs.
- Care in communications - [illegible] → [illegible]
- [illegible] arrangement
- No more meetings here in [illegible]

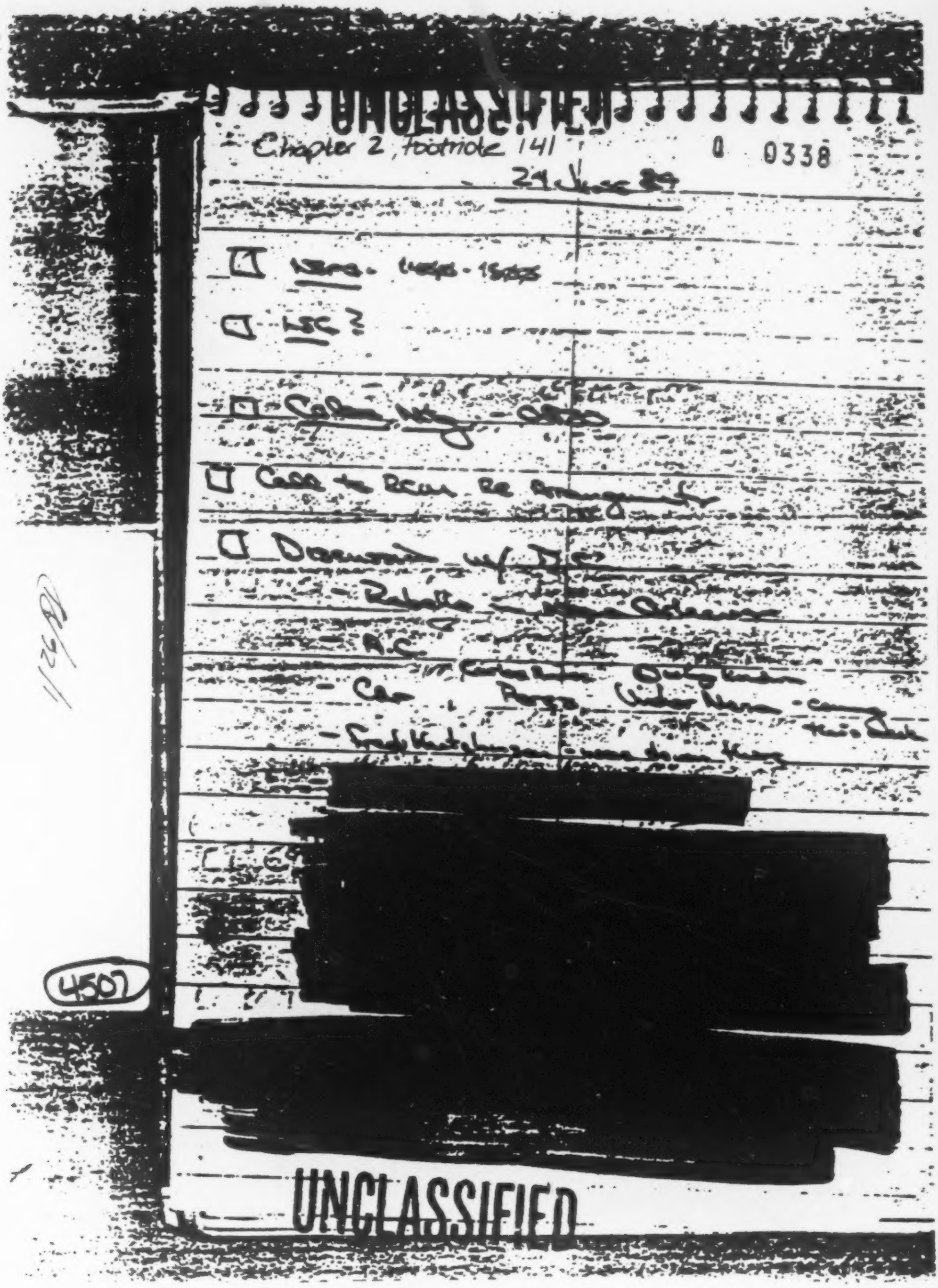
[redacted]

[redacted]

[redacted]

UNCLASSIFIED

4506



UNCLASSIFIED

Chapter 2, footnote 141

0 0338

24 June 85

☐ News - 1400 - 1800

☐ NSC ?

☐ Calero Mtg - 0830

☐ Call to RCM re arrangements

☐ Discussion w/ [illegible]

- Rebels - [illegible]

A.C.

- Cas . Rapp [illegible] - [illegible]

- [illegible]

[redacted]

☐ C [redacted]

[redacted]

UNCLASSIFIED

1/26/88

4507

2-154

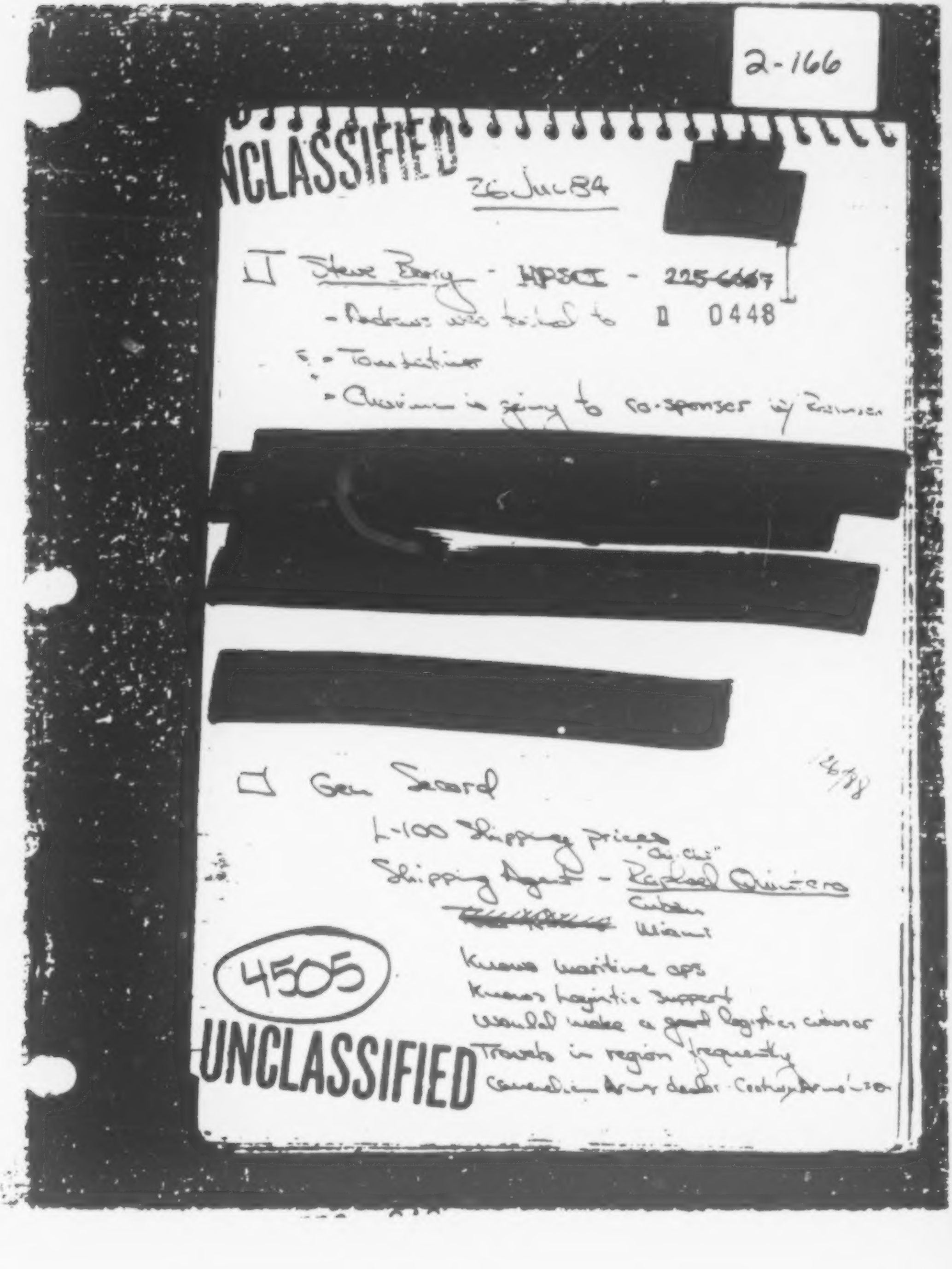
See Hearing Exhibit CG-60

2-157

See Hearing Exhibit CG-60

Chapter 2, Footnote 166

2-166



UNCLASSIFIED

26 Jul 84

[redacted]

☐ Steve Berry - HPSCI - 225-6667
- Andrews was talked to D 0448
- Tom Lantos
- Chairman is going to co-sponsor w/ [illegible]

[redacted]

[redacted]

☐ Gen Secord

26/88

L-100 Shipping prices
Shipping Agent - Raphael Quintero "Chi Chi"
~~[illegible]~~ Cuban
Miami

4505

Knows maritime ops
Knows logistic support
Would make a good logistics coord
Travels in region frequently
Canadian Arms dealer - Century Arms - Zo

UNCLASSIFIED

2-175

See Hearing Exhibit OLN-253

UNCLASSIFIED

Chapt 2-178 ote 178

N 6446

Ollie/Rez
Pls check
w/ CIA legal
Counsel promptly on this —
conform in this CR under
to legal
language.

1/26/88.

4508

UNCLASSIFIED

ROUTING

To	Name and Address	Date	Initials
1	Robert McFarlane		
2			
3			
4			
5			
6			

XX	ACTION		FILE
	APPROVAL		INFORMATION
	COMMENT		PREPARE REPLY
	CONCURRENCE		RECOMMENDATION
	DIRECT REPLY		RETURN
	DISPATCH		SIGNATURE

REMARKS:

cc: Oliver North (#2 and 3)
Ken deGraffenreid (#4)
Jim Radzimski (#5)

TOP SECRET SENSITIVE

UNCLASSIFIED

N 6447

NSC/ICS CONTROL NO. 400907

COPY NO. 1 OF 5

HANDLE VIA SYSTEM IV CHANNEL ONLY

NSC INTELLIGENCE DOCUMENT

cover sheet only [illegible]

4509

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

UNCLASSIFIED

TOP SECRET SENSITIVE

BKD FBI
NS-37
[illegible]

UNCLASSIFIED ~~SECRET~~

MEMORANDUM

Ch.2# 178

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400907

N 6440

October 9, 1984

~~TOP SECRET~~ 2-178

SENSITIVE

ACTION

Partially Declassified/Released on 6 Jul 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Draft National Security Decision Directive (NSDD) on Arms Interdiction in Central America (TS)

Attached at Tab I is a draft NSDD which implements the decisions taken during and since the NSPG meeting held on September 11, 1984. The NSDD calls for the CIA to provide assistance to the Nicaraguan Resistance Forces in interdicting Soviet arms bound for the FSLN in Managua. [redacted]

The CIA has quietly asked for this NSDD as a means of implementing those issues deliberated at the September 11, 1984 NSPG meeting (Tab II). In a private meeting with Calero today, he raised this issue as important to the military credibility of the FDN.

[redacted]

[redacted]

~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED

~~SENSITIVE~~

~~TOP SECRET~~ UNCLASSIFIED N 6449

~~TOP SECRET~~ 2 SENSTIVE

[redacted] The activities called for in the NSDD would be carried out under the provisions of the September 19, 1984 Presidential Finding (Tab III).

RECOMMENDATION

That you authorize circulation of the draft NSDD (Tab I) to State (Motley), CIA (C. George), and JCS (Moreau) for their concurrence.

Approve _____ Disapprove _____

cc: Ken deGraffenreid

Attachments
  Tab I - Draft NSDD
  Tab II - Minutes of NSPG Meeting on September 11, 1984
  Tab III - Presidential Finding of September 19, 1984

DRAFT UNCLASSIFIED

SYSTEM IV
NSC/ICS-400907

N 6450

~~TOP SECRET~~

National Security
Decision Directive

Arms Interdiction in Central America

Soviet bloc arms of increasing technical sophistication and firepower continue to be delivered to the FSLN in Nicaragua at an unprecedented rate. The shipment of this military materiel poses a growing threat to our own security interests and to the democratic governments and the peoples of Costa Rica, El Salvador, and Honduras. At the very least, this extraordinary Nicaraguan military build-up is intimidating to those in the region intent on achieving an enforceable multi-lateral agreement for peace, stability, economic recovery and democracy in the region. (S)

[redacted] Provision of such support would be conducive to restoring influence over resistance activities which has diminished as a consequence of no U.S. funding. (S)

FSLN covert support for the Salvadoran guerrilla forces is also a persistent problem. Munitions from Nicaragua continue to be an essential element in the ability of the FMLN to conduct operations against the Government of El Salvador (GOES). [redacted]

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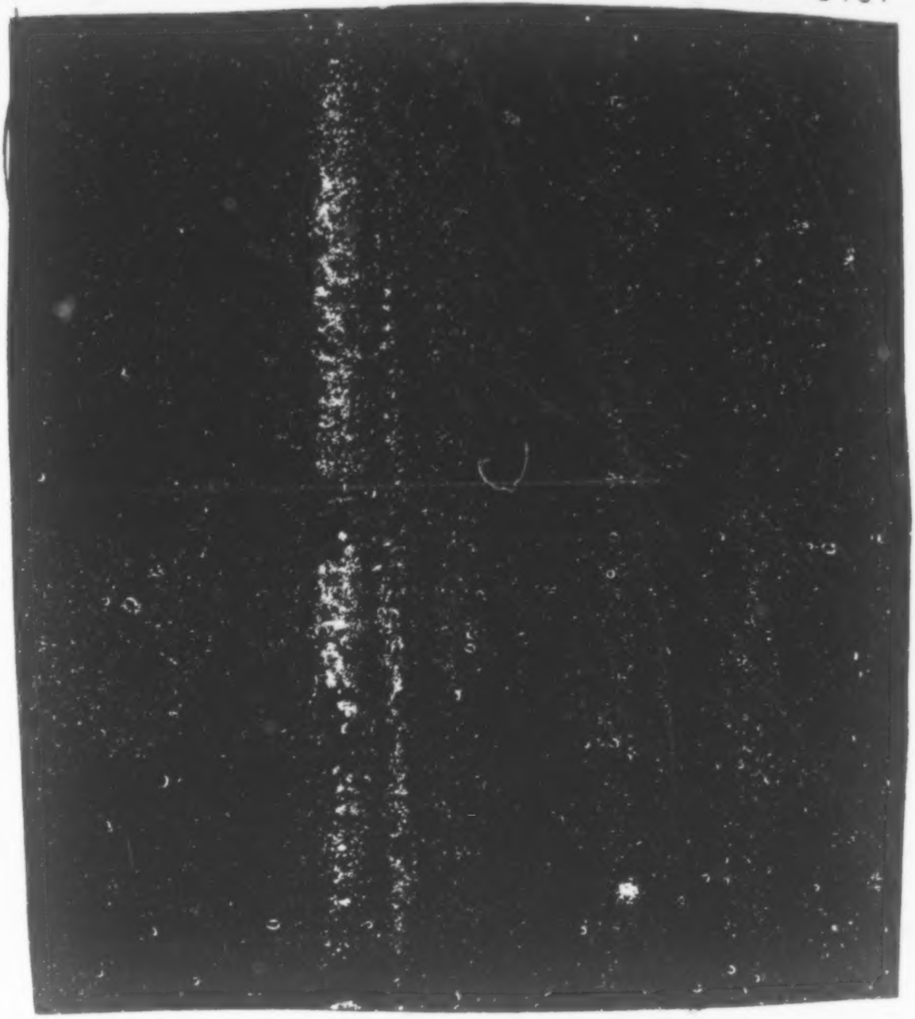
Declassify on: OADR

UNCLASSIFIED DRAFT

~~TOP SECRET~~ UNCLASSIFIED DRAFT

2

N 6451



~~TOP SECRET~~ UNCLASSIFIED ~~TOP SECRET~~ DRAFT

UNCLASSIFIED

Document

N-6452 (9pgs)
thru
N-6460

Deleted in
its Entirety

UNCLASSIFIED

N 6461

Finding [illegible] The Foreign Assistance Act of 1961, As Amended, Concerning Operations Undertaken by the Central Intelligence Agency in Foreign Countries, Other than Those Intended Solely for the Purpose of Intelligence Collection

I hereby find that the following activities are important to the national security of the United States, and direct the Director of Central Intelligence, or his designee, to report this Finding to the Intelligence Committees of the Congress pursuant to Section 501 of the National Security Act of 1947, as amended, and to provide such briefings as necessary.

[redacted]

NICARAGUA

PURPOSE

Unilaterally and in cooperation with other governments, provide support, equipment and training assistance to Nicaraguan paramilitary resistance groups. [redacted]

ALL PORTIONS OF THIS DOCUMENT ARE CLASSIFIED SECRET

UNCLASSIFIED

CL BY

DECL

DERIVED FROM

UNCLASSIFIED

N 6462

UNCLASSIFIED

N 6463

The Director of Central Intelligence is directed to ensure that this program is continuously reviewed to assure that its objectives are being met and its restrictions adhered to.

Ronald Reagan

The White House
Washington, D.C.

Date: September 19, 1983

UNCLASSIFIED

[illegible]

[redacted] OF CIA ACTIVITIES
UNDER THE NICARAGUA FINDING

N 6464

[redacted]

UNCLASSIFIED

~~SECRET~~ UNCLASSIFIED

N 6465

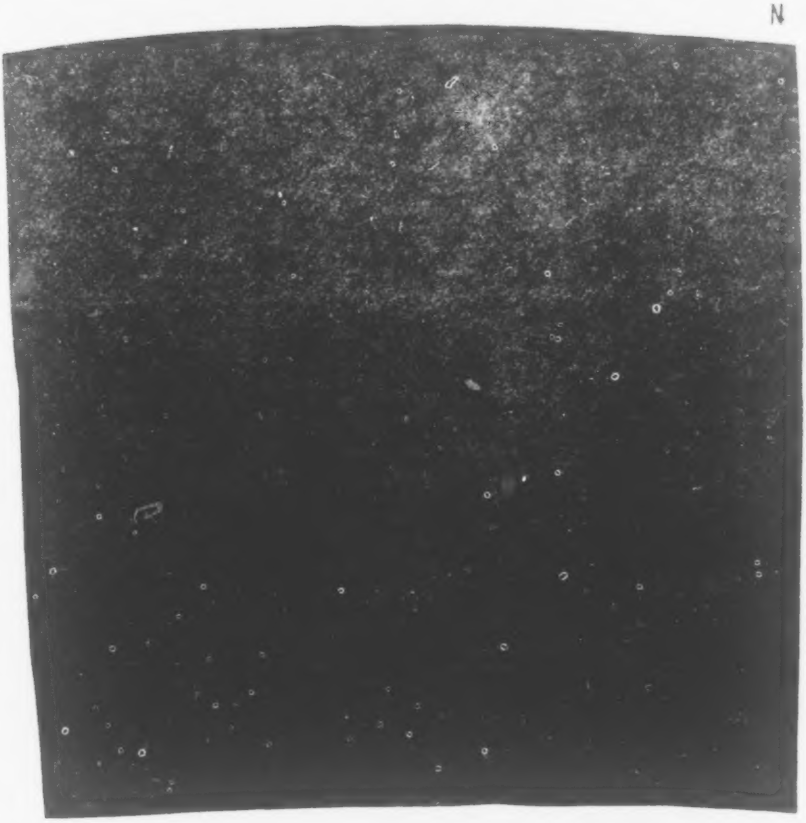
[redacted]

[illegible]

~~SECRET~~ UNCLASSIFIED

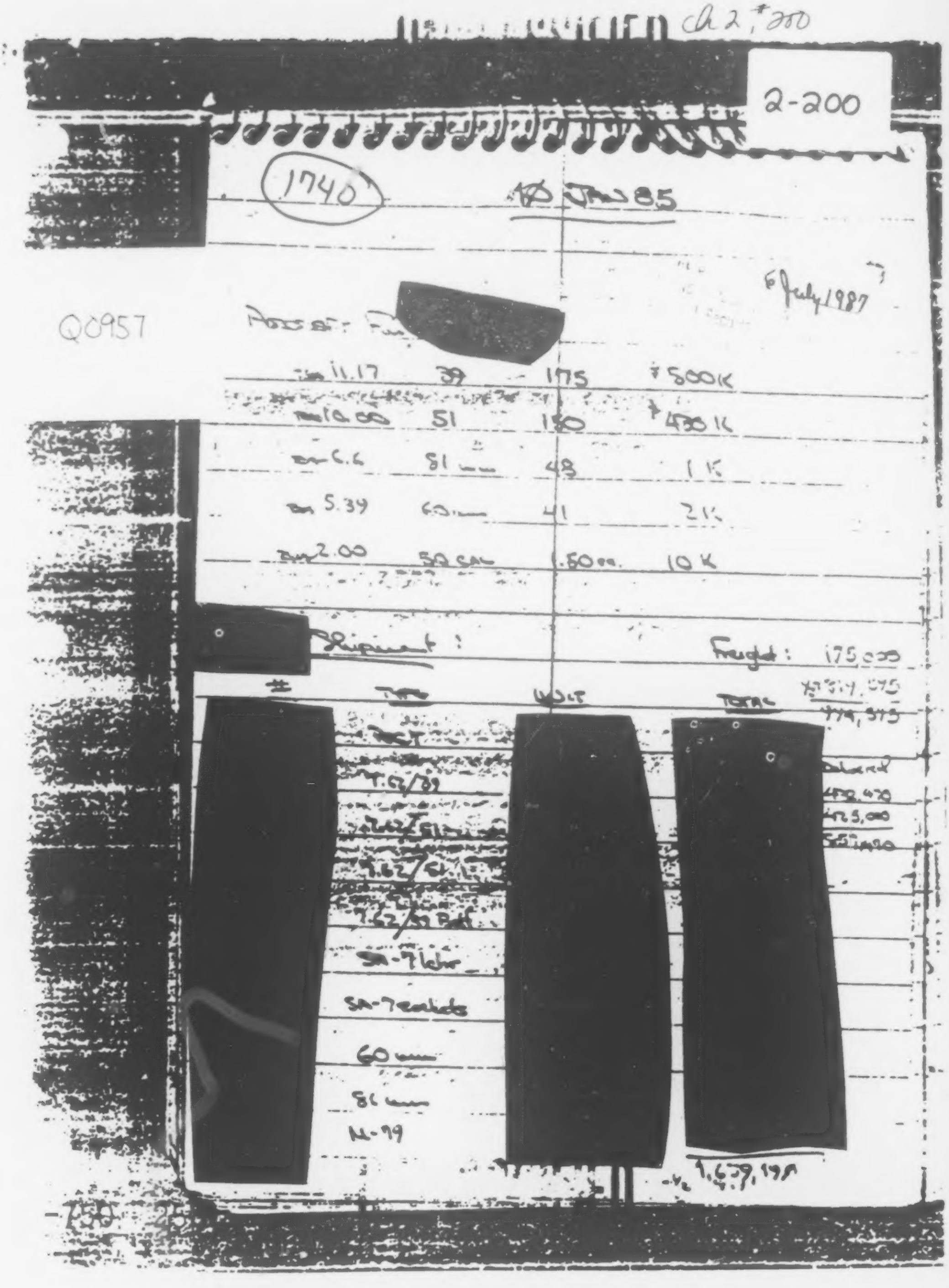
UNCLASSIFIED

N 6466



~~SECRET~~

UNCLASSIFIED



UNCLASSIFIED ch 2, #200

2-200

1740

10 JAN 85

Q0957

6 July 1987

Poss. ST: Fu [redacted]

DM 11.17	39	175	$500K
DM 10.00	51	150	$450K
DM 6.6	81 mm	48	1K
DM 5.39	60 mm	41	2K
DM 2.00	50 cal	.50 ea.	10K

[redacted] Shipment :

Freight : 175,000

$7,514,075

779,375

#	Type	Unit	Total
[redacted]	RCT	[redacted]	[redacted]
[redacted]	7.62/39	[redacted]	[redacted]
[redacted]	7.62/51	[redacted]	[redacted]
[redacted]	7.62/51	[redacted]	[redacted]
[redacted]	7.62/39 Ball	[redacted]	[redacted]
[redacted]	SA-7 lchr	[redacted]	[redacted]
[redacted]	SA-7 missiles	[redacted]	[redacted]
[redacted]	60 mm	[redacted]	[redacted]
[redacted]	81 mm	[redacted]	[redacted]
[redacted]	M-79	[redacted]	[redacted]

Delivered

452,470

425,000

551,000

-½ 1,679,198

Q0934

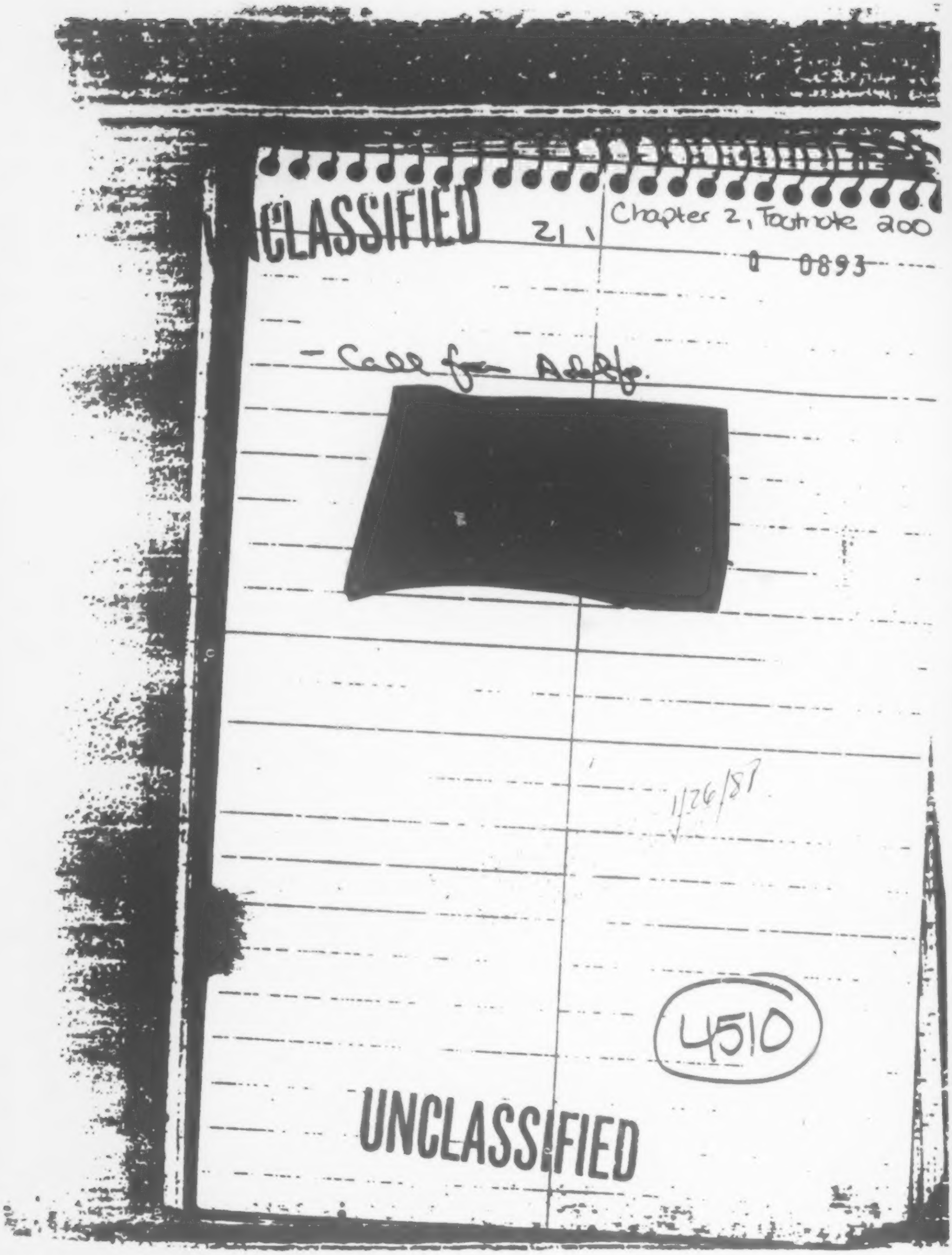
3 JAN 85

☐ 1845 Call to/from Adolfo
- In D.C. on 8th
- Bad treatment on NBC w/ Sen Leahy
- Mines/Hand grenades - competitively priced [redacted] ~~[illegible]~~
- Ammo from [redacted] too expensive
- Advised that Blow-Pipe deal is off.
- ~~[illegible]~~ Mortar rds - very expensive.
- Holding his deposit.
- [redacted]
- Airplane load arrive next week
- Sea shipment not until mid-Mar.
- On A/C - 7.62, 60mm, 81mm
  50 cal.
  - Cost - almost $300K
- Last A/C load from [redacted] arrived today
  - Rifles (4900)
  - 200 MG's

Partial ea/Released on 6 July 1987
visions of E.O. 12356
by National Security Council

UNCLASSIFIED

1739



UNCLASSIFIED

21 1

Chapter 2, Footnote 200

Q 0893

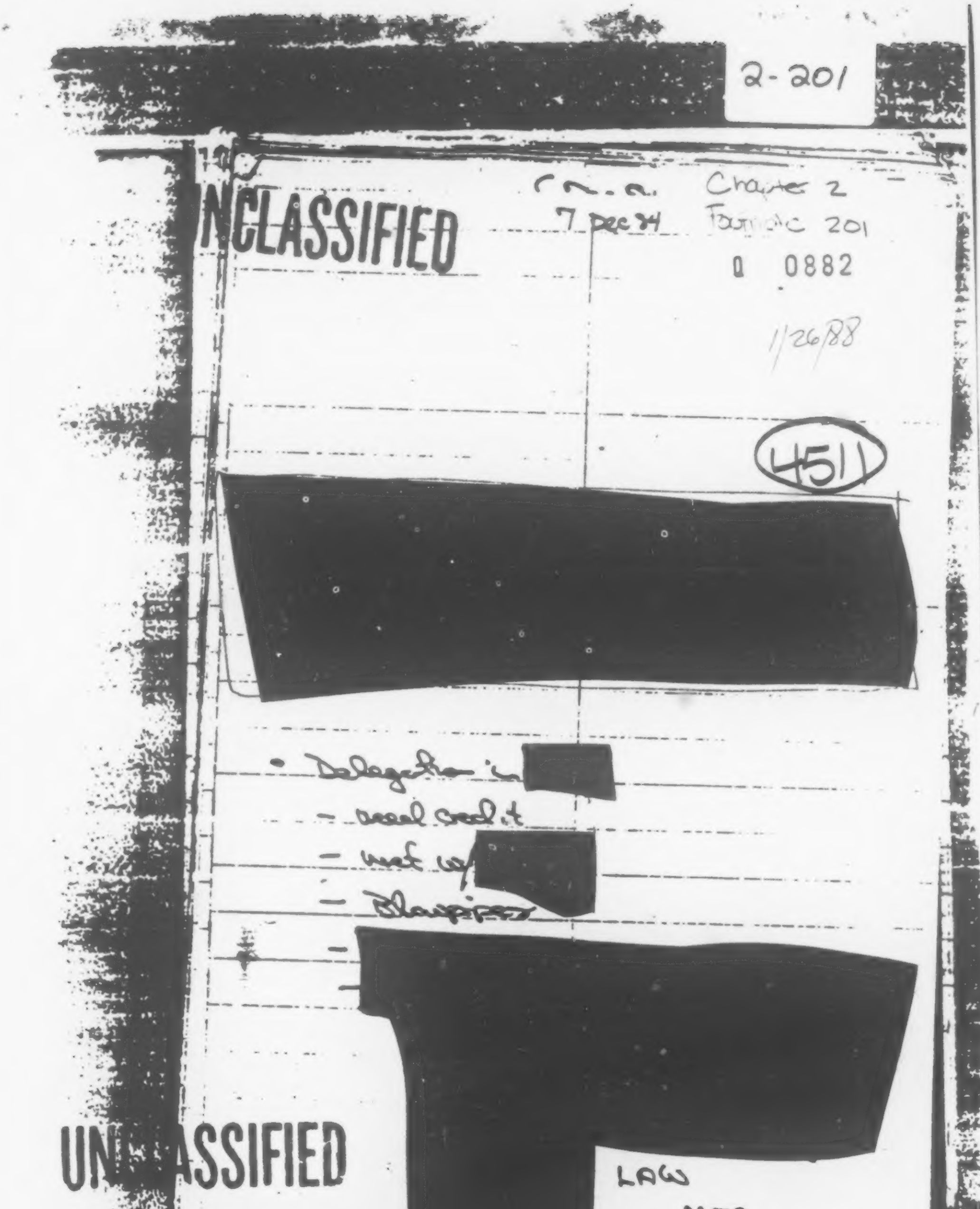
- Call fm Adm Jg.

[redacted]

1/26/87

4510

UNCLASSIFIED



2-201

UNCLASSIFIED

[illegible]
7 Dec 84

Chapter 2
Footnote 201

Q 0882

1/26/88

4511

[redacted]

- Delegation in [redacted]
  - need credit
  - need w[redacted]
  - Blowpipes
  - [redacted]

UNCLASSIFIED

LAW
M79

Ch. 2 @ 201, 202

UNCLASSIFIED

17 Dec

[redacted]

Q0910

Partially Declassified/Released on 6 July 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

☐ Call from Barnaby
- Returned from [redacted]
- 48 Blowpipes - free
- 8 Launchers - 25 K ea. (200K total)
- Have to inform [redacted]
- 8-10 pers. for training
  Starts 2 Jan
- Will have to buy some items
  from [redacted] which are somewhat
  more expensive
- Deliver by sea w/ trainers by end of Jan
- will deliver thru [redacted]
- [redacted] will communicate

★ - Will talk to Dick Secord

UNCLASSIFIED

1735

Ch. 2 II 201, 203

16 pages Withdrawn
Denied in its entirety
N7200 - N7215
NS - 131
System IV 401270
5/12/87

(from Index 6)

To	Name and Address	Date	Initials
1	The President		
2	Robert C. McFarlane		
3	Oliver L. North		
4			
5			
6			

ACTION	FILE
APPROVAL	INFORMATION
COMMENT	PREPARE REPLY
CONCURRENCE	RECOMMENDATION
DIRECT REPLY	RETURN
DISPATCH	SIGNATURE

REMARKS:

has seen

~~TOP SECRET~~ UNCLASSIFIED

N 7200

NSC/ICS CONTROL NO. IV 401270

COPY NO. 1 OF 1

HANDLE VIA SYSTEM IV CHANNEL ONLY

NSC INTELLIGENCE DOCUMENT

Partially Declassified/Released on 6 July 1987
under provisions of E.O. 12356
by D. Reger, National Security Council

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

~~TOP SECRET~~ UNCLASSIFIED

BKO/FB1
12-17-86
NS131

MEMORANDUM

UNCLASSIFIED ~~TOP SECRET~~

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS 401270

December 20, 1984 N 7201

~~TOP SECRET~~ SENSITIVE

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: [redacted] and Central America

At Tab I is a memorandum from you to the President [redacted] may be prepared to help in Central . America. [redacted] Central America.

Several weeks ago, David Walker, a former SAS officer, now a reputable British Security Specialist, indicated a willingness to

~~TOP SECRET~~ SENSITIVE
Declassify on: OADR

UNCLASSIFIED ~~TOP SECRET~~

assist in special mission planning and training for the Nicaraguan resistance. This approach was reported in a separate memorandum. Walker also informed that BLOWPIPE surface- to-air missiles may be available [redacted] for use by the FDN in dealing with the HIND helicopters. This information was passed through an appropriate secure and source protected means to Adolfo Calero who proceeded immediately to [redacted] Yesterday, Calero, having returned from [redacted], advised that [redacted] have possession of large quantities of BLOWPIPE missiles and that they are willing to make 48 missiles and five to eight launchers available to the FDN. There would be no charge for the missiles, but [redacted] did ask $15K each for the launchers. [redacted] noted, however, that they would need to obtain [redacted] permission for the transfer. Training on the weapons system was also offered for up to ten three-man teams from the FDN on a no-cost basis. Calero will dispatch the trainees to [redacted] on December 23. According to Calero, no one in [redacted] is aware that the USG has knowledge of this offer. [redacted]

Your memo to the President at Tab I brings these issues to his attention and asks that he discuss the matter of the Nicaraguan resistance very privately with [redacted] You will recall [redacted] we discussed the matter of [redacted] This may be the best opportunity we have to obtain such support for the resistance. Given recent actions in Nicaragua, we may not have another chance if we wait.

RECOMMENDATIONS

1. That you initial and forward the memo at Tab I.

Approve _____ Disapprove _____

2. That you release the cable at Tab II.

Approve _____ Disapprove _____

Attachments
Tab I - McFarlane memo to the President
[redacted]

UNCLASSIFIED N 7203

UNCLASSIFIED

UNCLASSIFIED

SYSTEM IV
NSC/ICS 401270

N 7204

~~TOP SECRET~~ SENSITIVE

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT C. MCFARLANE

SUBJECT: [redacted] Central America

Issue

How should we approach the issues [redacted] Central America [redacted]

Facts

[redacted] opportunity to sound out [redacted] on steps they could take to assist the Nicaraguan resistance. Through intermediaries, we have been apprised that [redacted] is prepared to provide up to 48 BLOWPIPE surface-to-air missiles to the freedom fighters.

~~TOP SECRET~~ SENSITIVE
Declassify on: OADR

UNCLASSIFIED

~~TOP SECRET~~ UNCLASSIFIED SENSITIVE

[redacted] indicate that they need to have permission [redacted] to transfer these missiles [redacted] These weapons, or something similar (e.g., SA-7s), are essential if the resistance is to stay in the fight now that the Sandinistas are employing their Soviet-provided MI-24 HIND-D helicopters.

Discussion

N 7205

[redacted]

On the matter of supporting the Nicaraguan resistance, we should very privately express approbation for anything [redacted] is willing to do in support of their cause. [redacted]

Recommendation

OK No

____ ____ That you discuss the matters indicated above [redacted]

Prepared by:
Oliver L. North

~~TOP SECRET~~
Declassify on: OADR

UNCLASSIFIED
TOP SECRET

SENSITIVE

UNCLASSIFIED N 7206

UNCLASSIFIED

UNCLASSIFIED

ONE PAGE

WITHDRAWN

UNCLASSIFIED

N 7208

UNCLASSIFIED

UNCLASSIFIED

4 PAGES

WITHDRAWN

UNCLASSIFIED

3 PAGES

WITHDRAWN

UNCLASSIFIED

Ch. 2 @ 201, 202

2-202

17 Dec

[redacted]

Q0910

Partially Declassified/Released on 6 July 1987
under provisions of E.O. 12356
by J. Reger, National Security Council

☐ Call from BRENABY

- Returned from [redacted]
- 48 BLOWPIPE - free
- 8 Launchers - 25 K ea. (200K total)
- Have to inform [redacted]
- 8-10 pers. for training
  Starts 2 Jan
- Will have to buy some items from [redacted] which are somewhat more expensive
- Deliver by sea w/ trainers by end of Jan
- will deliver thru [redacted]

[redacted] will communicate

★ - Will talk to Dick Secord

UNCLASSIFIED

1735

dr 2-203 ~~203~~

16 pages Withdrawn
Denied in its entirety
N 7200 - N7215
NS -131
System IV 401270
5/12/87

(from Index 6)

626

[redacted]

Q0934

2-205

3 JAN 85

☐ 1845 - Call to/from Adolfo
- In D.C. on 8th
- Bad treatment on NBC w/ Sen Leahy
- [illegible]/Hand grenades - competitively priced

~~[illegible]~~ [redacted] ~~[illegible] off~~

- Ammo from [redacted] too expensive
- Advised that Blow-Pipe deal is off.
- ~~[illegible]~~ Mortar rds - very expensive
- Holding his deposit.
- [redacted]
- Airplane load arrive next week
- Sea shipment not until mid-Mar.
- On A/C - 7.62, 60mm, 81mm
  50 cal.
  - Cost - ~~almost~~ $300K
- last A/C
  load from [redacted] arrived today
  - Rifles (4900)
  - 200 MG's

Partially [illegible] ed/released on 6 July 1987
[illegible] visions of E.O. 12356
by [illegible] National Security Council

[illegible] SIFIED

1739

Chapter 2, Footnote 211

2-211

UNCLASSIFIED

4512

LAKE RESOURCES
REFERENCE BANK TRANSACTIONS
(Excludes Bank Charges, Interest, and CDs)

Report Date: 9-11-87

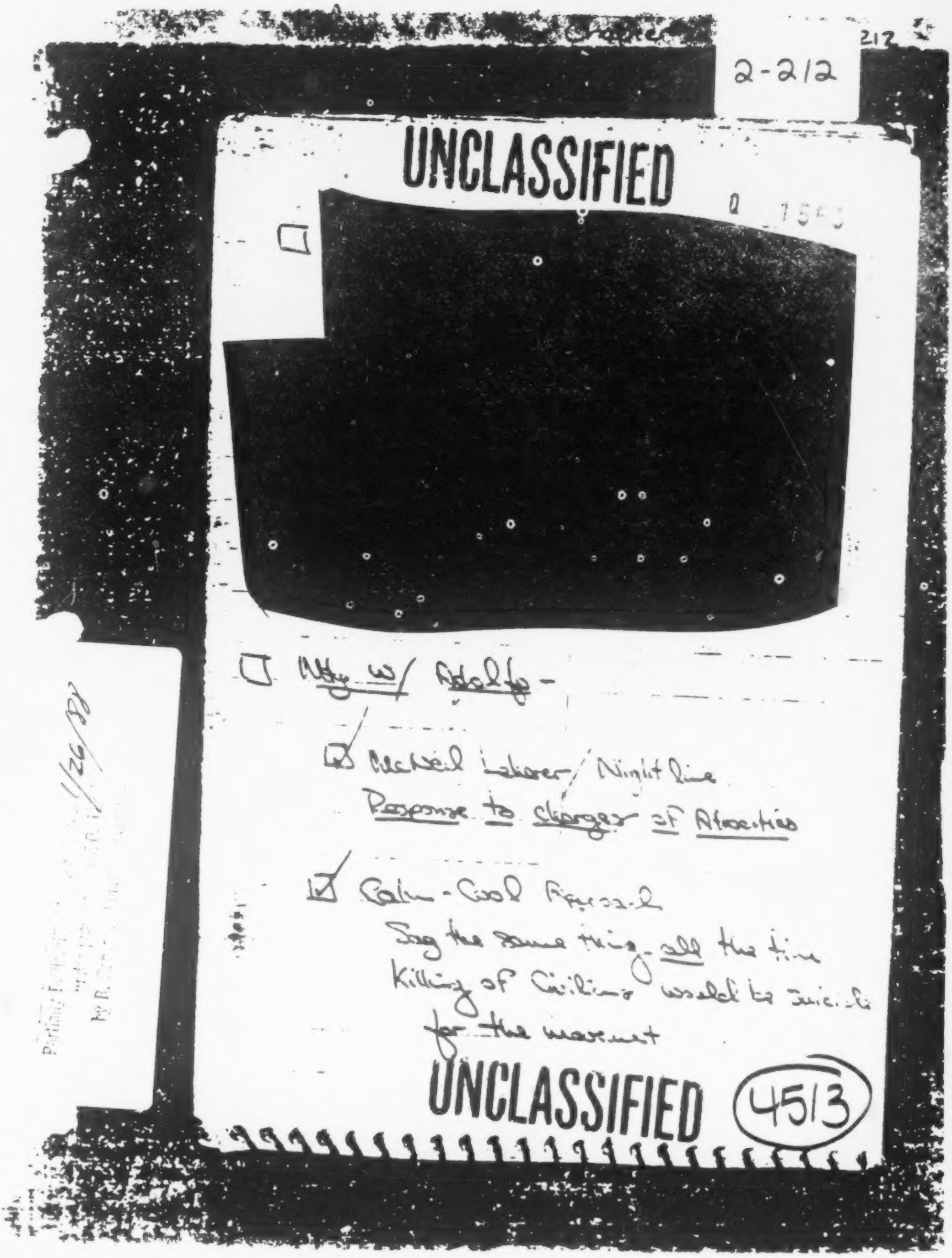
Date	Source Bank			Receipts from	Disbursements to	Account Balance
02-26-86	LAKE RESOURCES CREDIT SWISS EAUX-VIVES	(1065)	H2348	222,002.50		1,927,110.29
04-07-86	GULF MARKETING CREDIT SUISSE	(9211)	H214	93,122.60		2,020,232.89
04-10-86	GULF MARKETING CREDIT SUISSE	(9211)	H213	136,139.60		2,156,372.49
05-20-86	TOYCO S. A. CREDIT SUISSE	(9201)	H506	13,152.79		2,169,525.28
05-23-86	HYDE PARK SQUARE CORP. CREDIT SUISSE	(9208)	H168	200,002.79		2,369,528.07
05-23-86	HYDE PARK SQUARE CORP. CREDIT SUISSE	(9208)	H170	200,002.79		2,569,530.86
07-01-86	TOYCO S. A. CREDIT SUISSE	(9201)	H492	845,002.67		3,414,533.53
07-16-86	HYDE PARK SQUARE CORP. CREDIT SUISSE	(9208)	H99	881,990.23		4,296,523.76

Reference Bank: TRANS WORLD ARMS INC. (9206)

Date	Source Bank			Receipts from	Disbursements to	Account Balance
12-28-84	ENERGY RESOURCES INT'L. CREDIT SUISSE EAUX-VIVES	(1018)	H421	414,043.00		414,043.00
01-16-85	ENERGY RESOURCES INT'L. CREDIT SUISSE EAUX-VIVES	(1018)	H420	90,005.88		504,048.88
01-21-85	LAKE RESOURCES CREDIT SWISS EAUX-VIVES	(1065)	H2292		121,825.00	382,223.88
01-22-85	ENERGY RESOURCES INT'L. CREDIT SUISSE EAUX-VIVES	(1018)	H416	400,005.88		782,229.76
03-19-85	ENERGY RESOURCES INT'L. CREDIT SUISSE EAUX-VIVES	(1018)	H395	600,005.21		1,382,234.97

UNCLASSIFIED

1/26/88



212

2-212

UNCLASSIFIED

Q 1563

☐ [redacted]

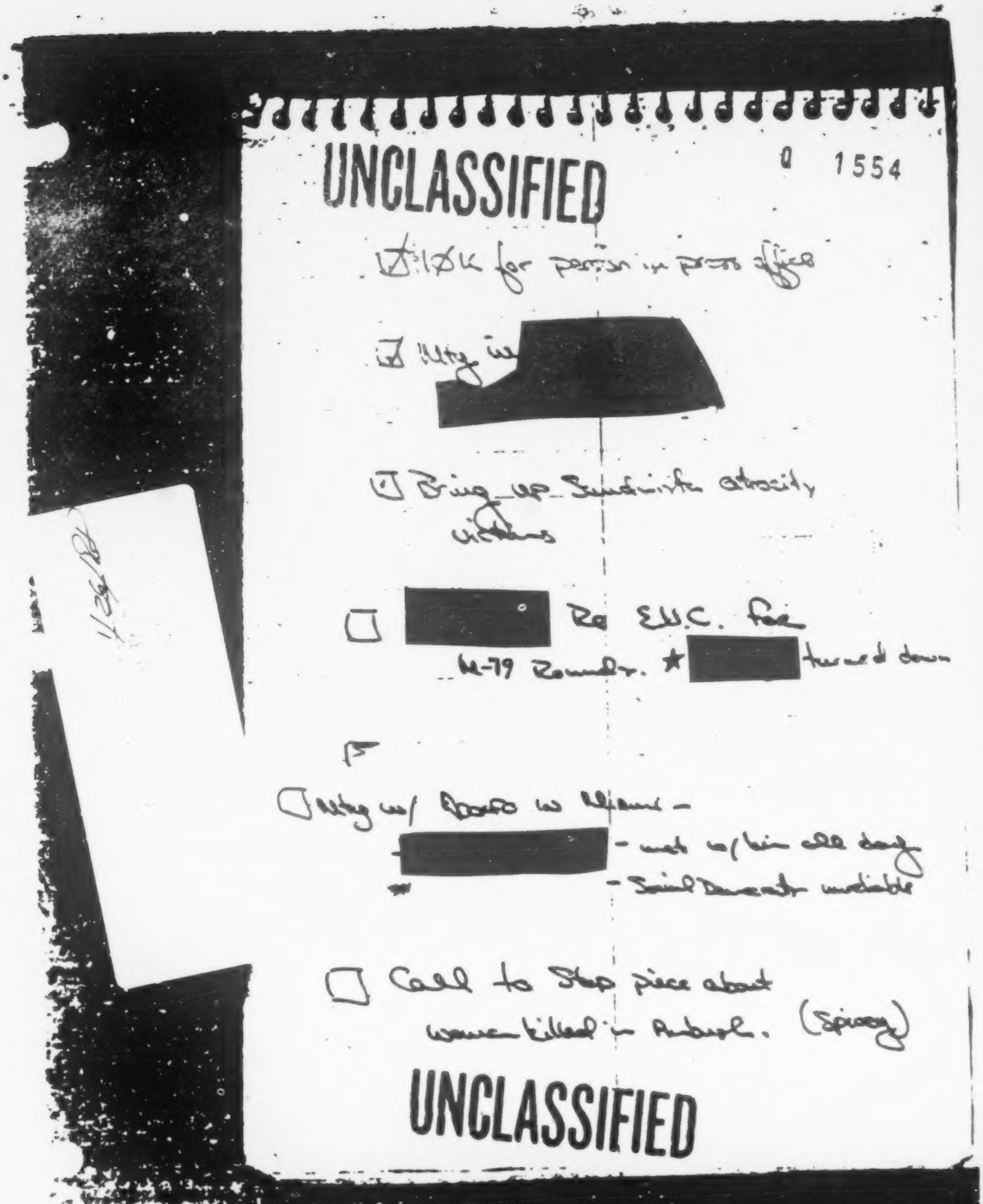
☐ Mtg w/ Adolfo -

☑ McNeil Lehrer / Nightline
Response to charges of Atrocities

☑ Calm - Cool Approach
Say the same thing - all the time
Killing of Civilians would be suicide
for the movement

UNCLASSIFIED (4513)

1/26/88



1/26/86

UNCLASSIFIED

Q 1554

☑ 10K for person in press office

☑ Mtg w/ [redacted]

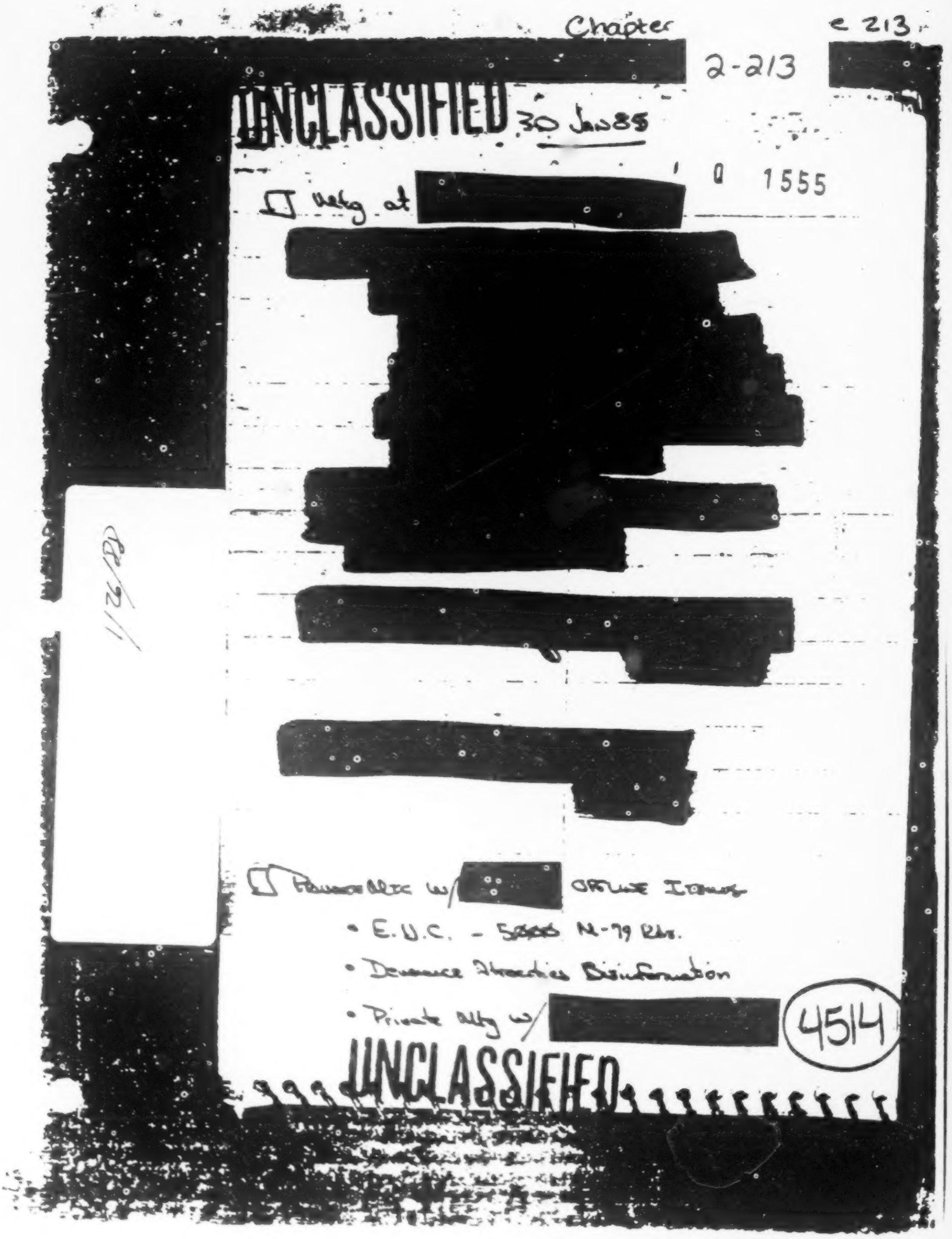
☑ Bring up Sandinista atrocity victims

☐ [redacted] Re EUC. for M-79 Rounds. ★ [redacted] turned down

☐ Mtg w/ Bosco in Miami -
[redacted] - met w/ him all day
★ - Said Democrats unreliable

☐ Call to stop piece about woman killed in Ambush. (Spivey)

UNCLASSIFIED



[redacted] Chapter 2-213 [redacted] e 213

UNCLASSIFIED 30 Jan85

11/2/88

☐ Mtg at [redacted] @ 1555

[redacted]

[redacted]

[redacted]

[redacted]

☐ [illegible] Mtg w/ [redacted] OFFLINE Items

- E.U.C. - 5000 N-79 Rkts.
- Denounce Atrocities Disinformation
- Private Mtg w/ [redacted]

4514

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2-214

See Hearing Exhibit CG-68

Chapter 216

2-216

UNCLASSIFIED

1/26/87

2 Jan 85

Q 0932

☐ Disc w/ Rob Owen
- John Hull - Frozen out
- Larry Spivey -

3 Jan 85

☐ Norm Staff Mtg

- W.H. mtg w/ Republican/Democratic congressional leadership RCM on For. Policy
  - ~~[illegible]~~ Aid to Nic. Resistance

☐ Call from [redacted] Re Calero

- Needs to be seen to be in union w/
  - Pedro Joaquin Chamorro & Cruz
  - United Front - Political/Military
  - Chamorro - bad vibes re Adolfo & [illegible]
  - Not - a true union

[redacted]

UNCLASSIFIED

4515

See Hearing Exhibit OLN-181

2-248

See Hearing Exhibit CG066

2-260

CLASSIFIED AT TIME OF PUBLICATION.

UNCLASSIFIED

2-265

Chapter 2

[illegible] #265 . 321

4516

CALERO ACCOUNTS
REFERENCE BANK TRANSACTIONS
(Excludes Bank Charges, Interest, and CDs)

Report Date: 6-04-87

Date	Source Bank	Receipts from	Disbursements to	Account Balance
09-30-86	[redacted]		99,937.50	739,937.50CR
10-03-86	[redacted]		149,906.25	889,843.75CR
12-01-86	[redacted]		74,953.12	964,796.87CR
01-19-87	[redacted]		79,950.00	1,044,746.87CR
Reference Bank:	[redacted]			
03-29-84	[redacted]	400.00		400.00
Reference Bank:	[redacted]			
05-25-84	[redacted]	1,600.00		1,600.00
Reference Bank:	[redacted]			
08-21-84	[redacted]	1,681.85		1,681.85
Reference Bank:	[redacted]			
05-10-83	[redacted]		5,000.00	5,000.00CR
11-07-83	[redacted]		9,900.00	14,900.00CR

1/26/88

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UNCLASSIFIED

CALERO ACCOUNTS
REFERENCE BANK TRANSACTIONS
(Excludes Bank Charges, Interest, and CDs)

Report Date: 6-04-87

Date	Source Bank	Receipts from	Disbursements to	Account Balance
11-08-83	[redacted]		100.00	15,000.00CR
01-23-84	[redacted]		9,500.00	24,500.00CR
01-24-84	[redacted]		500.00	25,000.00CR
07-06-84	[redacted]		1,000,000.00	1,025,000.00CR
08-03-84	[redacted]		1,000,000.00	2,025,000.00CR
09-04-84	[redacted]		1,000,000.00	3,025,000.00CR
10-10-84	[redacted]		1,000,000.00	4,025,000.00CR
10-10-84	[redacted]		500.00	4,025,500.00CR
10-15-84	[redacted]	18,992.25		4,006,507.75CR
10-17-84	[redacted]	100,000.00		3,906,507.75CR
11-06-84	[redacted]		1,000,000.00	4,906,507.75CR
11-20-84	[redacted]		3,000.00	4,909,507.75CR
12-04-84	[redacted]		1,000,000.00	5,909,507.75CR
01-02-85	[redacted]		1,000,000.00	6,909,507.75CR
01-04-85	[redacted]	50,000.00		6,859,507.75CR

48

UNCLASSIFIED

CALERO ACCOUNTS
REFERENCE BANK TRANSACTIONS
(Excludes Bank Charges, Interest, and CDs)

Report Date: 6-04-87

Date	Source Bank	Receipts from	Disbursements to	Account Balance
02-07-85	[redacted]		1,000,000.00	7,859,507.75CR
02-11-85	[redacted]	50,000.00		7,809,507.75CR
02-14-85	[redacted]	50,000.00		7,759,507.75CR
02-27-85	[redacted]		5,000,000.00	12,759,507.75CR
03-07-85	[redacted]		4,000,000.00	16,759,507.75CR
03-15-85	[redacted]		7,500,000.00	24,259,507.75CR
03-25-85	[redacted]		7,500,000.00	31,759,507.75CR
03-26-85	[redacted]	530.13		31,758,977.62CR
04-26-85	[redacted]	17,030.00		31,741,947.62CR
07-01-85	[redacted]		50,000.00	31,791,947.62CR
07-11-85	[redacted]		50.00	31,791,997.62CR
08-22-85	[redacted]		25.00	31,792,022.62CR
01-17-86	[redacted]		26,768.00	31,818,790.62CR
01-17-86	[redacted]		29,968.00	31,848,758.62CR
01-27-86	[redacted]		50,000.00	31,898,758.62CR

UNCLASSIFIED

Chapter 2, Footnote 270

THE SECRETARY OF DEFENSE
WASHINGTON THE DISTRICT OF COLUMBIA

SYSTEM II
90012

N 6495

3 JAN 1985

2-270

MEMORANDUM FOR ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS

SUBJECT: U.S. Policy Toward Nicaragua (U)

~~(C)~~ I believe it urgent that we update our policy toward Nicaragua. In particular, when Congress returns, we will have to address the problem of funding for the Freedom Fighters.

~~(S)~~ So far as I know, your four objectives for Nicaragua (established by NSDD 124) are still fully valid:

- genuine implementation of democracy;
- verified end to export of subversion;
- verified removal of Cuban/Soviet bloc personnel; and
- verified reduction of Nicaraguan military forces to regional parity.

~~(S)~~ There seems to be no prospect of accomplishing these objectives without improved assistance to the Freedom Fighters. This calls for planning to generate the requisite Congressional approval. We may wish to consider mixtures of support: overt and "covert"; direct and indirect through third countries, for example); political, humanitarian, and military. The Joint Chiefs of Staff share my view that our support for the resistance to the Sandinistas must continue and also that we must bring our political, diplomatic, and economic strength to bear.

~~(C)~~ I [illegible]mend that you have an NSPG meeting scheduled, as so[illegible]asible in January, to develop an updated approach towar[illegible]agua, with particular focus on an effective approach [illegible]ongress.

cc: Chairman, JCS

4517

RKD 12-12-8
FB'NS 42

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DECLASSIFY ON: OADR

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2 PAGES

N 6496 thru N 6497

Chapter 2, Footnote 270

Non Relevant

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Chapter 2, Footnote 271

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OPTIONS AND LEGISLATIVE STRATEGY FOR RENEWING AID TO THE NICARAGUAN RESISTANCE

N 45086

Current Situation

Section 8066 of the FY 1985 Continuing Resolution (P.L. 93-473) specifically prohibits until February 28, 1985, the use of any CIA, DOD, or other intelligence agency's funds for the purpose or which would have the effect of supporting directly or indirectly military or paramilitary operations in Nicaragua. After February 28, 1985, this funding prohibition ceases to apply, but only if two conditions are met:

-- the President transmits to Congress a report describing Nicaraguan government support for guerrillas in other Central American countries, justifying amounts and types of assistance proposed and how such assistance would further U.S. policy goals in Central America;

-- Congress adopts a joint resolution expressly approving the use of funds for supporting military or paramilitary operations in Nicaragua.

If both these criteria obtain, the Continuing Resolution permits up to $14 million in appropriated funds to be used for the resistance program. The law states that expedited procedures will apply for considering a joint resolution authorizing the expenditure. Such a joint resolution would be initially referred to the Appropriations Committees.

Partially Declassified/Released on [illegible] 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

Because of the expedited procedures and the jurisdictional issue of an intelligence issue being moved quickly through the Appropriations Committees, we should carefully consider the timing of a report to the Congress. In short, we should seek to work out our best options before submitting the report required by Section 8066.

Since the Continuing Resolution requires, in effect, that Congress pass a new law in order to permit use of the appropriated FY 1985 monies, that new law need not conform precisely to the terms of the Continuing Resolution. Congress could, in enacting this new legislation, add any number of limitations or conditions and then make clear that the new legislation was intended to satisfy (or to supersede) the requirements of the Continuing Resolution. We could, in effect, create a "Clark Amendment" for Central America, if we do not handle the legislative relationship very carefully in consulting on our options.

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N 45087

Options

A. USG Solicitation of Third Country Support

Although the Continuing Resolution addresses only the use of appropriated funds, CIA has interpreted the statutory language against "indirect" support as prohibiting contact with third countries which might be willing to fund/assist resistance activities. The CIA has, therefore, forbidden their employees from soliciting/requesting third country support, since it could be argued that funds appropriated for CIA salaries were being used in a manner that would have the effect of indirectly supporting paramilitary operations in Nicaragua. The CIA's concern is heightened by two considerations:

-- First, the Intelligence Committees were informed, after U.S. funding was exhausted last June, that as a matter of policy the Agency was not soliciting third country funding. State has responded to similar queries from the Foreign Affairs/Relations Committees that the Department has made no such overtures.

-- Second, Executive Order 12333 on intelligence activities provides that "no agency of the Intelligence Community shall request any person to undertake activities forbidden by this Order." While it is anomalous to read this prohibition so literally that it prevents the Agency from requesting third countries to undertake activities not addressed in the Executive Order, but otherwise forbidden to the CIA, this constraint none the less prevails.

It is very possible that this problem could be overcome by a careful record of consultation with the concerned committees of Congress (Intelligence and Appropriations). No new legislation or formal amendment to the Executive Order would be required. It should also be noted that the existing Presidential Finding (under which the U.S. program operated until FY 1984 funding was exhausted) specifically provided that our support to resistance groups would be provided both unilaterally "and in cooperation with other governments." Congress never objected to this aspect of the program.

The single greatest drawback to this option is that a "third-country" support program for the resistance leaves us with almost no leverage over resistance activities or an ability to assure the humane prosecution of the war. It may also perpetuate problems [redacted] if they perceive that we have "walked away" from the problem.

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N 45088

B. Restore the Original Comprehensive Program

Under this option, we would submit a report seeking to justify the removal of the prohibitions in Section 8066 of the Continuing Resolution and restoration of the program that existed up until last year's funds were exhausted. This would allow us to provide arms and munitions, as well as training and advice, by U.S. citizens who would be forbidden to enter Nicaragua. In order to achieve Congressional approval for this option, we could agree to a number of specific constraints on the level and type of operational involvement for CIA personnel/employees. We could, for instance, accept prohibitions on the use of CIA [redacted] assets (aircraft, boats, etc.); restrictions on numbers of personnel; or limits on training/operational guidance or technical assistance we could provide to the fighters. This alternative has the advantage of maximum flexibility, program effectiveness, and control over resistance activities. The disadvantage is that this would require direct reversal of a series of House votes in which the program has been rejected by decisive majorities.

C. Limited "Non-Lethal" U.S. Support with Third Country Assistance

This alternative calls for us to submit a report justifying a "new" program excluding the most controversial aspects of the original program--direct support by U.S. nationals and lethal military equipment and supplies. "Lethal" assistance (munitions, ordnance, etc.) would, in this case, be provided by third countries. In its simplest form, U.S. support could be limited to cash grants which would be used only for specified "non-lethal" purposes, such as public affairs/political action, travel and transportation, food, clothing, shelter, etc., with provision for periodic audit. While it would be preferable to have authority for the U.S. to provide advice, training, management assistance, and intelligence, we could indeed leave these to third countries, with the understanding that the USG would coordinate with these countries as under the present Finding. A new Presidential Finding should be developed in that it will be tactically useful in building support with members of Congress.

The advantage of this option is that it could be presented as a new approach, not requiring opponents of the old program to reverse their previous votes. Cash transfers could be publicly acknowledged or executed covertly. While a legislated mandate to limit us to overt "humanitarian" assistance (e.g., aid to refugees) would not affect the basic legislative approach, any publicly acknowledged program will have an adverse impact [redacted]

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D. Defer legislation and seek only clarification of authority to encourage third-country support

In this option, we would postpone a definitive vote by Congress on whether or not the USG can provide support to the Nicaraguan resistance. Instead of an "up or down" vote on the program, we would seek to maintain the viability of the Nicaraguan resistance by encouraging only third country support. This would require careful consultation with Congress to assure that we would not be subject to charges of circumventing or violating the statutory prohibition. We would, thereby, leave open the possibiltiy of a new funding request until later in FY 1985--perhaps even waiting until the current prohibitions in Section 8066 of the Continuing Resolution expire on October 1, 1985. The major drawbacks for this option are lack of credibility in influencing Sandinista behavior through pressure and the uncertainity of continued support to the resistance from current sources until the end of the fiscal year.

[redacted]

[redacted]

UNCLASSIFIED

F. Provide Funding through a "Collective Security" Type Organization

In this case, funds to support resistance activities could be appropriated by the Congress for disbursement through an already existing or newly created international organization. CONDECA, the collective security organization of the Central American states, could serve as such a body. U.S. monies could be given directly to CONDECA (or like entity), as in the case of the Organization of Eastern Caribbean States (OECS), or funds provided to participating countries could be earmarked for use only with CONDECA-authorized activities.

In order for this to work as a funding mechanism for the resistance, there would have to be unanimous agreement among the participating states [redacted] that a certain portion of the funds made available to CONDECA would be transferred (either as financial aid or in materiel) to the freedom fighters. This agreement and the transfer could be either overt or covert. It would seem that the Congress or at least certain members would have to be witting of the internal CONDECA arrangement.

The advantage of this proposal lies in the attractiveness of "collective security" type arrangements within the Congress. They may be more willing to view funding through an international organization, such as CONDECA, as an acceptable "overt" mechanism for supporting the resistance. The principal disadvantages of this proposal are in the length of time it would take to establish such a program and the lack of control over the international body in their support to the resistance. Any public confirmation that CONDECA was providing such support would undoubtedly make the situation for [redacted] even more difficult than it already is. It would, therefore, be best to try such an option with CIA funding rather than through the security assistance process.

Timing

Although the law specifies that the President can submit a report at the end of February and thereby trigger the expedited procedures for a vote by both houses, we should weigh the advantages of delayed action. The Congress will also be considering several other issues of extraordinary import to the Administration in the months ahead:

Issue	Timeframe
MX	March
Saudi-Pak Arms Packages and Overall Security Assistance	May-June
President's Budget	May-June
Federal Deficit	June-July
Arms Control Debate	July-August

Past experience has shown that opponents of the resistance program are likely to use the simultaneous presentation of two important legislative issues to their advantage. We, therefore, need to deny them an opportunity to "trade" the resistance program for MX or some other vital Administration initiative. Given the crowded legislative calendar we should probably seek to forward a report to the Congress at the end of March, seeking a vote by both houses during April. This timing will also track well with major political action and public-diplomacy initiatives which will peak in mid-March.

Identification of the Threat

Past focus and the current Finding identify at the Sandinistas as the principal threat to regional stability. We have likewise proclaimed FSLN internal repression within Nicaragua as an important reason for funding the resistance. Despite the accuracy of this rationale, we have:

-- failed to make the case that the Sandnistas are indeed a sufficient threat to our national security that justifies a major covert action/paramilitary program; and

-- created anxieties in the Congress that in order to redress internal repression through resistance pressure, we, in fact, are attempting the overthrow of the current Nicaraguan government. Since this is specifically forbidden by law, we have actually lost ground in the Congress by emphasizing the "democratization"/OAS promises issue.

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~~TOP SECRET~~

[redacted] we would find better support for the Nicaraguan resistance, if we identify the Soviets, Cubans, Bulgarians, East Germans, and North Koreans--and their intervention in this hemisphere--as the principal problem in Central America, rather than the Sandinistas. In order to focus on the threat posed by the Soviets and their surrogates, a major effort must be launched to collect and disseminate information regarding this extra-hemispheric involvement in Nicaragua. By so doing, we would re-orient the thinking in Congress and in the American body politic that support for the resistance is essential to preventing a Soviet client state on the mainland of this hemisphere.

Funding Level Requested

Previous requests for funding have been limited [redacted] This, in and of itself, tends to create a mind set in the Congress that the threat to our security is not as great as we have articulated. In 1982, we spent less than $13M on the Nicaraguan resistance program. The 1983 level of $24M was duplicated in our FY 1984 request. For 1985, we limited the request to $14M, thinking that this amount would be more palatable to the Congress.

If indeed our re-oriented threat is to be credible, we should consider a significant increase in the amount being requested for the program. A figure closer to $100M would indicate to the Congress the urgency of the situation and our concerted belief that an adequately funded resistance force could provide sufficient pressure to deter further Soviet/surrogate encroachment in the region.

Summary

Informal liaison among State, OSD, CIA, JCS, and NSC indicates that we should pursue the following course of action:

-- We should move immediately to re-orient the perceived threat from the Sandinistas to focus on risks posed to U.S. security by the active involvement of the Soviet Union and its surrogates in establishing a client state in Nicaragua.

-- We should press for Option C (non-lethal U.S. support with third country assistance). In so doing, we should seek authority to have the U.S. provide intelligence, training support, and a significant level ($90-100M) of financial assistance limited to the acquisition of non-lethal materiel, transportation, and political action. Lethal support would be provided through third country financial assistance and direct provision of arms and ammunition.

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N 45093

-- We would agree that no U.S. personnel could be directly involved in operations or paramilitary activities [redacted]

-- The report required by Section 8066 of the Continuing Resolution should be submitted at the end of March (after the MX vote).

-- A White House legislative coordinator (similar to the AWACS effort for Saudi Arabia) should be appointed and charged with the sole responsibility for managing the Congressional presentation on this issue.

-- [redacted]

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~~TOP SECRET~~

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N 18764

SUBJECT: Targeting
Stark just showed me a copy of the new proposed target list, citing [redacted] (which I thought Gabriel said would be hit as a matter of course) as a first priority. I don't think this is acceptable. Also, I don't see the logic in striking [redacted] It would seem to me the reverse sequence should be followed, both with regard to the [redacted] What device would you like us to use to get greater clarity on this? Also, the Saudi arms sales issue was supposedly discussed at an LSG last week. Do you know where this stands? Is the next step that of Bud speaking to Bandar?

MSG FROM: NSDRF --CPUA TO: NSRCM --CPUA 01/22/85 12:27:21
To: NSRCM --CPUA

(91)

-- ~~SECRET~~ --

NOTE FROM: DONALD R. FORTIER
SUBJECT: Contra Project
Ollie just debriefed me on your trip. When I meet with Hamilton and Fascell (which will be later this week, unless you see a reason for me to postpone) I would like to begin by saying you wanted me to give them the benefit of certain observations you drew on the basis of your recent talks in the region. Then I would stress the unanimity of view on the growing Sandinista challenge; the skepticism over successful negotiation in the absence of pressure; the willingness of regional leadersto begin providing quiet support for the Contras; and the overwhelming belief that in some way the US has to get back in the game. Beyond that, I will for now simply confine myself to taking soundings (following the outline I gave you of my talks with Durenberger). At some point soon, however, we need to decide more clearly what end result we want to steer the consultations toward. I still like the [redacted] option, if it can be made to work, [redacted] Ollie believes we need to flag the possible option of a finding permitting us to seek third country support. John and I are both uneasy about raising this. Finally, at the right moment, it will be important to find some mechanism for bringing key Hill leaders together with [redacted] regional leaders to hear first hand what walking away from the Contras would mean. When I had lunch with Lugar's chief of staff the other day on the structure of the Senate hearings, he said this would be the single most effective action we could take. Let me know if this is not how you want me to proceed.

cc: NSJMP --CPUA

Partially Declassified/Released on 18 July 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

(2190)

Fortier File
12/23/86
NWK

[redacted]

[redacted]

Poindexter
Exhibit #25
2190
6/17/87 mas

2-272 Footnote 272

UNCLASSIFIED

MEMORANDUM

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400053

~~TOP SECRET~~ January 15, 1985

N 45025

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Nicaragua Options

Partially Declassified/Released on July 18, 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

Attached at Tab I is a paper which proffers policy options for Nicaragua. The basic paper and its attachments (Tabs A thru H) provide a detailed assessment of the current situation and various alternatives which we can pursue during the second Administration. In short, the paper concludes that the most prudent course of action, given the threat we face from the Soviets and their surrogates in Central America, is to seek Congressional approval for resuming our support to the Nicaraguan resistance.

Tabs A thru D describe the growing Soviet bloc relationship with the FSLN and its increasing status as a Marxist-Leninist client state. Tabs E and F provide a detailed analysis of the resistance movement and options for restoring U.S. assistance. Tabs G and H outline additional activities (economic sanctions and political action) which could supplement a revitalized resistance program.

One of the most important issues on this trip is to determine what type of support to the resistance is most palatable to our friends in the region. Don Fortier is pursuing the same strategy with the leadership in Congress. Thus, Tab F (Options and Legislative Strategy) is particularly important as background for your meetings with Heads of State in the region. You should be aware that there is growing sentiment in the Congress for some type of "overt" support to the resistance--an alternative that is undoubtedly most unpalatable to [redacted]

RECOMMENDATION

That you skim the attached notebook and review in detail Tab F, using the options provided in your discussions with Heads of State.

Approve. ____ Disapprove ____

2187

Attachment
Tab I - Nicaragua Options Notebook
Tabs A thru H

~~TOP SECRET~~
De OADR

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2-272 to 273 Footnotes 272, 273

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S.STE... [illegible]
NSC/ICS-400053

POLICY OPTIONS FOR NICARAGUA

N 45027

Background

In 1979, the Sandinista Revolutionary Liberaton Front (FSLN), in alliance with moderate non-Marxist opposition groups, capitalized on legitimate popular dissent to overthrow the Somoza government. In the five years since the revolution, the moderate allies of the FSLN have been expelled from the government and the FSLN has established effective control of the media, educational system, military, and security apparatus. In fact, the Nicaraguan revolution has moved steadily through most of the successive steps of a Marxist-Leninist revolutionary as taught at the Soviet Union's Higher Comsomul School for the Training of Non-Bloc Communists Cadre (Tab A).

The Sandinitas have created Marxist labor organizations and an alternative "popular" church. Fraudulent elections, accompanied by massive international propaganda, were engineered to validate FSLN hegemony as the "vanguard" party over the internal political process. A massive Soviet bloc military build-up is underway (Tab B) and repression of the remaining internal opposition has recently increased. Thus, most of the steps in establishing a Marxist-Leninist state have been accomplished..

The final consolidation of the FSLN as the state party in a Marxist-Leninist society is in process (Tab C). Once this consolidation has been completed, those antagonistic to U.S. security goals, particularly the Soviet Union and Cuba, will have a secure base on the mainland of the Americas from which to promote subversion of neighboring states, a sine qua non of all Marxist-Leninist states. The successful spread of Marxist-Leninist governments in Central America, allied with adversaries of the United States, represents a genuine long-term threat to political stability in the Americas, and over time poses a strategic threat to the United States.

Partially Declassified/Released on [illegible]
under provisions of E.O. 12356
by B. Reger, National Security Council

Options:

Given the premise outlined above, there appear to be three policy options open to the U.S. Government:

A. A negotiated solution which acquiesces to the existence of a Marxist-Leninist Nicaraguan state in return for assurances that that state would not pursue a policy of exporting revolution.

B. A resumption of U.S. support to the Nicaraguan opposition--both armed and unarmed--in order to prevent the consolidation of a Marxist-Leninist state allied with the USSR and to establish in its stead a truly Democratic and pluralistic government.

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C. The use of military force by the United States to prevent the establishment of a Marxist-Leninist state in Nicaragua and replace it with a pluralistic democratic government.

N45028

Analysis of Options:

[redacted]

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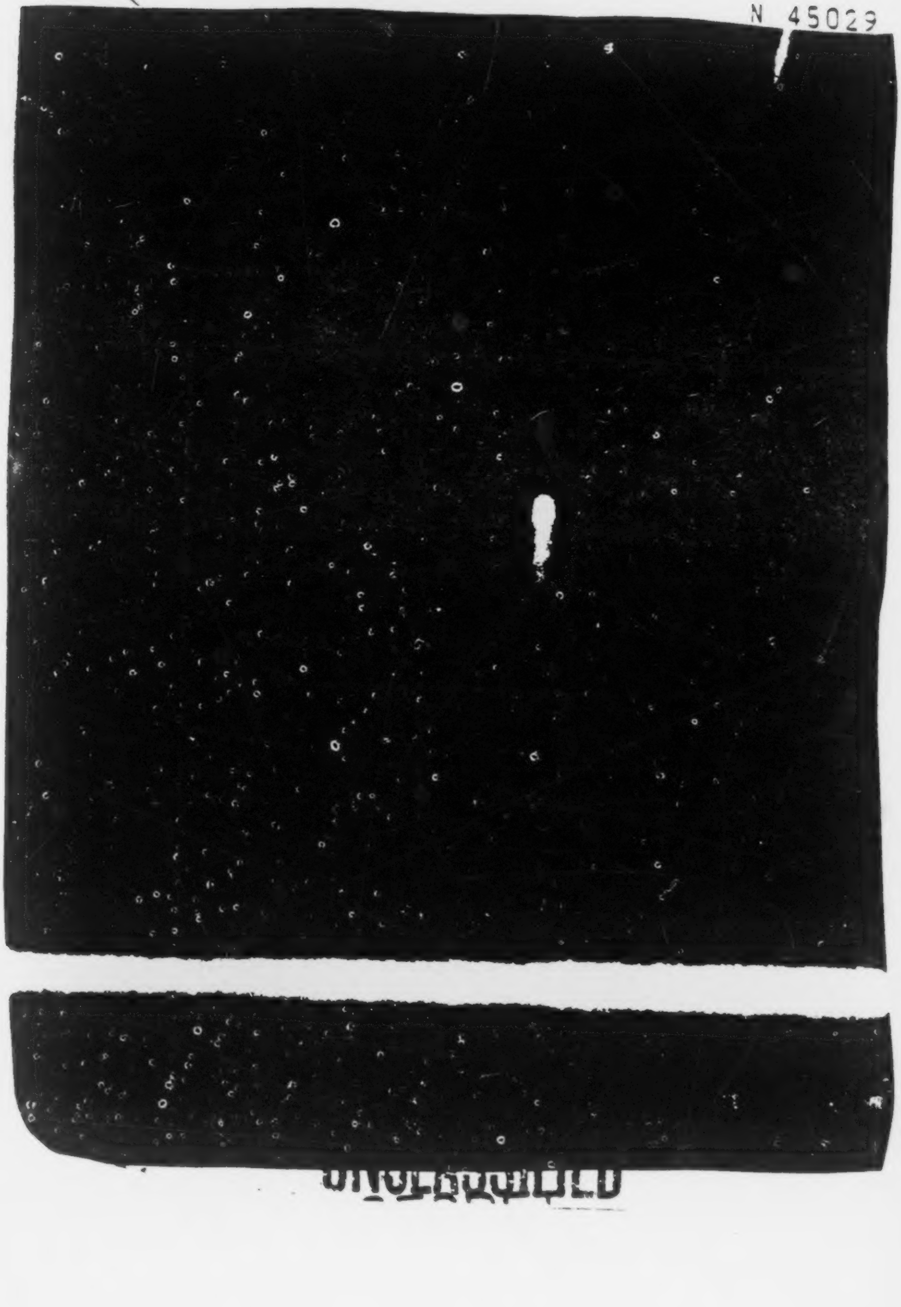
N 45029



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[redacted]

Conclusions.

-- The FSLN regime in Managua is Marxist-Leninist in character and is in the latter stages of consolidating absolute control in Nicaragua. The Sandinista leadership is allied with the foreign policy objectives of the Soviet Union and Cuba and is increasingly supported by the Soviet Union in a bloc/client relationship.

-- The presence of a Marxist-Leninist state in Central America is an unacceptable threat to regional stability and long term U.S. strategic interests.

-- If the consolidation of a Soviet client state is to be prevented, decisive action must be initiated within the next few months. The weight of the evidence argues strongly in favor of a major campaign to restore support for the democratic resistance forces. Their military operations must be designed to prevent the consolidation of a Marxist-Leninist FSLN government in Nicaragua. Since the process of consolidation is in the advanced stages, arresting and reversing that process will be difficult. The longer a delay in initiation of such an effort, the less likely is success and the more costly the consequences.

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2-274 274

UNCLASSIFIED 5 SENSITIVE

N 45035

1985 - 1986

In less than three years (1982-Present), the Nicaraguan resistance has grown from less than [redacted] to more than [redacted] While this growth would probably not have been accomplished without U.S. support and advice, it is important to note that the Nicaraguan Freedom Fighters are not a creation of this Administration. [redacted] we underestimated, to an extent, the degree of popular acceptance the FDN would enjoy in its operating areas. While this popular support developed slowly and was undoubtedly enhanced by FSLN mistakes and repressive policies, it has become an important factor in the ability of the FDN to continue to operate following the June 1984 cut-off of CIA funding. For example, since USG funds were exhausted, FDN troop strength has increased by more than [redacted] combatants. Indeed, ralliers to the FDN continue to surpass the capability to provide arms, provisions, and training. [redacted] (TS)

The cut-off in U.S. funding has, to date, had little effect on the determination of the FDN to continue its struggle against the FSLN. It is obvious from discussions with resistance leaders [redacted] supportive government officials in El Salvador, Honduras, and [redacted] that an expectation of resumed U.S. funding is an important factor in their will to continue the armed struggle. It also appears that resources available to the resistance from sympathetic government(s) and/or individuals will permit current small-scale operations to continue for at least another 6 to 9 months. A resumption of USG funding or additional alternative resources would be essential in order to bring the scale of activity to that which existed in the Spring of 1984 and, over time, to prevent an erosion of the will and determination of the FDN combatants. (S)

We are, at this point, at an important benchmark in our efforts to achieve the goals outlined in the San Jose Accord and the Contadora 21 Objectives. There is now a solid framework which could lead to peace in Central America and the dismantling of a potential Soviet/Cuban base on the hemispheric mainland. [redacted]

UNCLASSIFIED page 5 only 1/26/88 SENSITIVE

4518

N 450

[redacted]

Non Relevant

MEMORANDUM

UNCLASSIFIED

NATIONAL SECURITY COUNCIL

710

SYSTEM II
90081
Re-do

32023

Chapter 2
Footnote 275

UNCLASSIFIED

~~TOP SECRET~~

January 28, 1985

ACTION

2-275

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH

SUBJECT: Nicaraguan SNIE

Attached at Tab I is a purlioned copy of a portion of the INR input to CIA for the forthcoming SNIE on Nicaragua. Please protect that we have a copy in that only intelligence analysts have the draft inputs available.

[redacted]

[illegible]

In response to your questions on the note at Tab II, additional points are proferred for your use. The following comments pertain to the marginal notations on the State draft at Tab I:

Note A: [redacted]

Note B [redacted]

UNCLASSIFIED

~~TOP SECRET~~

OADR

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FBI
LCB
4/2/87
a NCHRON
4 of 10-7

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UNCLASSIFIED

N 32824

Notes C and D: [redacted]

Note E: Much depends in this comment on the definition of "short term." Those knowledgeable of current resistance activities and operations believe that with adequate support the resistance could be in Managua by the end of 1985. The paper at Tab C applies.

RECOMMENDATION

That you discuss the attached draft INR input with Bud and ask him to determine, with Secretary Shultz, the rationale for State Department's views.

Approve _____ Disapprove _____

Attachments
- Tab I - INR draft input for forthcoming Nicaragua SNIE
- Tab II - Poindexter Note to North of January 26, 1985
  - Tab A - FSLN Background Piece
  - [redacted]
  - Tab C - The Future of the Nicaraguan Resistance

UNCLASSIFIED UNCLASSIFIED

ROUTING

To	Name and Address	Date	Initials
1	Robert McFarlane	5/17	
2			
3			
4			
5			
6			

XX	ACTION		FILE
	APPROVAL		INFORMATION
	COMMENT		PREPARE REPLY
	CONCURRENCE		RECOMMENDATION
	DIRECT REPLY		RETURN
	DISPATCH		SIGNATURE

REMARKS:
cc: Oliver North (#2 and 3)
Jim Radzimski (#4)

UNCLASSIFIED

Ch. 2 # 290
292, 294

To JMP
Pls return to
Oliver North

SECRET EYES ONLY

SECRET

N 7129

NSC/ICS CONTROL NO. 400258

COPY NO. 1 OF 4

2-290

HANDLE VIA SYSTEM IV CHANNEL ONLY

NSC INTELLIGENCE DOCUMENT

8 July 87

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

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MEMORANDUM

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400256

N 7127

March 15, 1985

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EYES ONLY

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Meeting with Arturo Cruz

In accord with your instructions relayed through VADM Poindexter, I met with Arturo Cruz on the afternoon of March 12, to discuss his funding [redacted]

--

--

--

He specifically asked if there was [redacted] which would provide funds commensurate with his earning capabiliti were he not engaged in the resistance effort. He noted that his annual salary prior this involvement was in excess of $7,500 per month [redacted]

~~SECRET~~
Declassify: OADR

UNCLASSIFIED

EYES ONLY

UNCLASSIFIED

N 7128

Unless otherwise directed, I will proceed as follows:

-- Adolfo Calero will deposit $6,250 per month in Cruz' checking account without Cruz' knowledge. Calero will be aware that he is funding Cruz. The CIA will not be told of the new source for Cruz' funds.

-- Contact will be established with a legitimate publisher or foundation to assume Calero's role as soon as possible. Cruz will be asked to sign a normal business contract with this publisher or foundation.

RECOMMENDATION

That you authorize me to proceed as indicated above.

Approve RCM Disapprove ____

UNCLASSIFIED

2-291

2 pages

N 6418 and 6419

Chapter 2, Footnote 291

Denied in total

4520

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Ch. 2 # 290
292 294

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To JM
Pls return to
Oliver North

ROUTING

To	Name and Address	Date	Initials
1	Robert McFarlane	5/17	WJ
2			
3			
4			
5			
6			

XX	ACTION		FILE
	APPROVAL		INFORMATION
	COMMENT		PREPARE REPLY
	CONCURRENCE		RECOMMENDATION
	DIRECT REPLY		RETURN
	DISPATCH		SIGNATURE

REMARKS:
cc: Oliver North (#2 and 3)
Jim Radzimski (#4)

SECRET

N 7129

NSC/ICS CONTROL NO. 400258

COPY NO. 1 OF 4

2-292

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8 July 87

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MEMORANDUM

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400258

N 7127

March 15, 1985

~~SECRET~~

EYES ONLY

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Approve RCM Disapprove ____

UNCLASSIFIED

2-293

2 pages

N 6418 and 6419

Chapter 2, Footnote 291

Denied in

Total

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4520

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Ch. 2 # 290 292 294

ROUTING

To	Name and Address	Date	Initials
1	Robert McFarlane	5/17	W
2			
3			
4			
5			
6			

XX	ACTION		FILE
	APPROVAL		INFORMATION
	COMMENT		PREPARE REPLY
	CONCURRENCE		RECOMMENDATION
	DIRECT REPLY		RETURN
	DISPATCH		SIGNATURE

REMARKS:
cc: Oliver North (#2 and 3)
Jim Radzimski (#4)

To JMP
Pls return to
Ollie North

SECRET EYES ONLY

SECRET

N 7129

NSC/ICS CONTROL NO. 400258

COPY NO. 1 OF 4

2-294

HANDLE VIA SYSTEM IV CHANNEL ONL

NSC INTELLIGENCE DOCUMENT

8 July 87

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MEMORANDUM

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400258

N 7127

March 15, 1985

~~SECRET~~

EYES ONLY

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~~SECRET~~
Declassify: OADR

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RECOMMENDATION

That you authorize me to proceed as indicated above.

Approve RCM Disapprove ____

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Chapter 2, Footnote 302

C 2470

[illegible] Outside Support to the FDN

1. Since the cutoff of official funds to the anti-Sandinistas in May 1984 they have been able to field a viable guerrilla fighting force, have increased their numbers, and [illegible]proved the[illegible]ctical efficiency. It is estimated that to [illegible] of activity that they have it would cost an e[illegible] one half to two million dollars per month[illegible]owever, no intelligence on the source of this [illegible] that it comes from private groups, and possib[illegible] business corporations.

2-302

2. [redacted] offered [illegible]ide end-user certificates for any munitions the FDN wanted to buy, [redacted] issued end-user certificates for some U.S. $10 million in ordnance. It is not clear, however, whether the ordnance has already been purchased or if [redacted] have made these certificates available for use when needed, and when funds are available. For some time a Cuban/American group has been involved in fund-raising activities (telethons in Miami [illegible] the FRS in the south. It is not known if any of this mo[illegible]makes its way to the FDN. Cuban American doctors from Mi[illegible] have volunteered their services on weekends to tend t[illegible] FDN wounded.

3 In addition to the abov[illegible] FDN has received periodic assistance from the Civilian M[illegible]ary Assistance Group (CMA) in Alabama, consisting of webb-ge[illegible] uniforms, canteens, tents, and training. A helicopter wi[illegible] CMA pilot was shot down in September 1984.

SUPPORT BY COUNTRY

[redacted] End-user certificates; [redacted]

[redacted] End-user certificates for U.S. $10 million in ordnance

U.S.: [illegible]ivate groups only, CMA, Cuban/Ame[illegible]own amounts [illegible]ey.

[redacted]le of "Blowpipe" missles to F[illegible]ll throu[illegible]

Alleged sale of weapons to FRS; not confirmed.

4. We have no information on the sourc[illegible] the fu[illegible]sed by the FDN to acquire arms or munitions. We[illegible] the FDN is inclined to hold this information clos[illegible] FDN leaders fear that, if the information should become public, the source of the funds would dry up.

24985/[illegible]

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Chapter 2, Footnote 307

March 20, 1985 N 40320

2-307

CHRONOLOGICAL EVENT CHECKLIST

February 21-28, 1985 (completed)

Event	Responsibility
Send resource book on the Contadora process process to congressmen, media outlets, private organizations and individuals interested in Nicaragua.	State/LPD (Miller)
FDN to select articulate freedom fighters with proven combat records and to make them available for contact with U.S. media representatives.	NSC (North)
Assign U.S. intelligence agencies to research, report, and clear for public release Sandinista military actions violating Geneva Convention/civilized standards of warfare.	NSC (North) (Raymond)
Prepare themes for approaches to Congressmen based on overall listed perceptions which will directly attack the objections listed above.	NSC (North)
Encourage U.S. media reporters to meet individual FDN fighters with proven combat records and media appeal.	NSC (North) State/LPD (Gomez)
Contact internal eyewitnesses/victims to testify before Congress about their abortive attempts to deal with the FSLN (deadline March 1[illegible]	NSC (North)

Partially Declassified/Released on 1/26/8[illegible]
under provisions of E.O. 12356
by [illegible] National Security Council

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March 1-8, 1985

Event	**Responsibility**
Prepare list of publicly and privately expressed Congressional objections to aiding resistance and voting record on the issue.	WH/LA State/H
Provide State/H with a list of Nicaraguan emigres and freedom fighters to serve as potential witnesses to testify before hearings on aid to Nicaraguan freedom fighters (due March 15).	NSC (North) State/ARA (Michel) State/LPD (Reich)
Nicaraguan internal opposition and resistance announce unity on goals and principals (March 2, San Jose) (completed).	State/LPD (Miller) NSC (North)
Request that Zbigniew Brzezinski write a geopolitical paper which points out geopoliticalconsequences of Communist domination of Nicaragua (paper due March 20).	NSC (Menges)
Briefings on Nicaragua for key Congressional members and staffers. North on NU aggression and external involvement, Burghardt on diplomatic situation.	NSC (North) (Burghardt)
Supervise preparation and assignment of articles directed to special interest groups at rate of one per week beginning March 18 (examples: article on Nicaraguan educational system for NEA, article by retired military for Retired Officers Association, etc.).	State/LPD
Assign agencies to draft one op-ed piece per week for signature by Administration officials. Specify themes for the op-eds and retain final editorial rights.	NSC (Menges)
Conduc[illegible]blic opinion poll of America atti[illegible]oward Sandinistas, freedom fighters.	WH (Rollins)
Natio[illegible]ess Club news conference for FDN comman[illegible]s Bermudez, Tigrillo, Mike Lima (March 5) (follow-on Congressional visits (March 6) (completed).	State/LPD (Gomez) (Kuykendall)
Martha Lida Murillo (9 yr old atrocity victim) visit to Washington--media interviews, Congressional visits, possible photo-op with First Lady (March 6-8) (completed).	State/LPD (Gomez) (Kuykendall) (WH/OPL)

March 9-15, 1985

Event	Responsibility
WH/Legislative Affairs, State/H and ARA complete list of key Congressmen interested in Nicaragua.	State/H(Ball/Fox) WH/LA State/ARA (Michel/Holwill)
Intelligence briefing for White House Administration and senior staff by CIA (Vickers, Room 208, OEOB, 30 minutes).	NSC (North)
Brief Presidential meeting with Lew Lehrman and other leaders of the influence groups working on MX and resistance funding.	NSC (Raymond) (North)
State/LPD and WH Media Relations prepare a list of key mediaoutlets interested in Central American issues, including newspapers, radio, and TV stations (including SIN). Where possible identify specific editors, commentators, talk shows, and columnists.	NSC (North) State/LPD (Miller)
NSC update talking points on aid to Nicaraguan freedom fighters.	NSC (North)
Briefings in OEOB for members/Senators: Shultz, McFarlane, Gorman, and Shlaudeman to brief Lehman (requires General Gorman to be placed on contract).	NSC (North) (Lehman)
Call/visit newspaper editorial boards and give them background on the Nicaraguan freedom fighters.	State/LPD(Reich) WH/PA NSC (North)
Brief OAS members in Washington and abroad on second term goals in Central America. Explore possible OAS action against Nicaragua.	OAS(Middendorf) NSC (Menges) State/LPD(Reich)
VP at Brazilian inauguration. Discuss possible OAS initiative on Nicaragua with Core Four, Colombia, Brazil, and Uruguay (March 15 and 16).	VP (Hughes)
Prepare a "Dear Colleagues" ltr for signature by a responsible Democrat which counsels against "negotiating" with the FSLN.	NSC (Lehman)

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N 40323

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March [illegible]-22, 1985

Event	Responsibility
Results due on public opinion survey to see what turns Americans against Sandinistas (March 20).	NSC (Hinckley)
Joachim Maitre--Congressional meetings, speeches, and op-ed pieces.	State/LPD (Kuykendall)
Review and restate themes based on results of public opinion poll.	State/LPD (Reich) NSC (North) (Raymond)
Presidential drop-by at briefing for American evangelicals on MX and Nicaraguan resistance.	WH/OPL (Reilly) NSC (North)
Congressional hearings (Foreign Relations/ Affairs) and testimony by Nicaraguan emigres and atrocity victims.	WH/LA NSC (North) (Lehman)
Prepare document on Nicaraguan narcotics involvement.	Justice (Mullen)
SSCI CODEL Boren, Rockefeller, McConnell, and Wilson [redacted] for meetings with resistance (March 15-19).	NSC (North) (Lehman)
VP in Honduras; meeting with Pres Suazo (March 16).	VP (Hughes)
Argentine state visit; President emphasize need [redacted] OAS case (March 19).	WH (Elliott)
Pas[redacted] Calero meeting with Co[redacted]al Hispanic Caucus (Jorge Mas) (Mas[redacted]).	
Production and distribution of La Prensa chronology of FSLN harassment.	State/LPD (Reich)

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March 23-31, 1985

Event	Responsibility
Rev. Vallardo Antonio Santeliz (Pentecostal Minister atrocity victim)--Congressional/ media meetings (March 22-23).	State/LPD (Kuykendall) (Gomez)
McFarlane, Friedersdorf meeting with key Congressional leadership (Rm 208 or WHSR) to brief situation and proposed course of action (March 23-25).	WH/LA NSC (Lehman) (North)
Presidential breakfasts, lunches, and WHSR meetings with key Congressional leaders (March 24 through vote).	
Pedro Juaquin Chamorro (Editor La Prensa) U.S. media/speaking tour (March 25-April 3)	State/LPD (Miller/Gomez)
President to meet in Room 450 w/"Spirit of Freedom," concerned citizens for Democracy. Representatives from 8 countries (180) (March 25).	
Release of DOD/State paper on Soviet/Cuban/ Nicaraguan intentions in the Caribbean; possible WH backgrounder.	State/LPD (Reich) WH/PA (Sims)
Distribute Bernard Nietschmann paper on suppression of Indians by FSLN.	State/LPD
Antonio Farach (Former FSLN Intelligence Officer)--media and Congressional meetings regarding Sandinista espionage, intelligence activities.	Republican Study Committee
Invite President's Duarte, Monge, Suazo, and Barletta to a very private meeting in Texas with key Congressional leaders so that CODEL can hear unvarnished concerns re Sandin[illegible]s and Democratic leaders' support for t[illegible].	(Kuykendall) NSC (North)
Rele[illegible]per on Nicaraguan media manipulation.	State/LPD
Publish and distribute as State Department document Nicaragua's Development as Marxist-Leninist State by Linn Poulsen.	State/LPD (Reich)
Declassify Nicaragua's Development as a Marxist-Leninist State by Linn Jacobowitz Poulsen for publication as State Department document (clearance request w/Casey).	State/LPD (Blacken)

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N 40325

April 1-7, 1985

Event	Responsibility
Reques[illegible]rnard Nietschmann to update prior paper on suppression of Indians by FSLN (to be published and distributed by April 1).	State/LPD (Blacken)
AEI: Sponsor media events w/print and television media for Central America resistance leaders (April 1-7).	State/LPD (Reich) WH/OPL (Reilly)
European Parlimentary delegation to meet with President Reagan (April 2).	National Forum Foundation WH/OPL (Reilly)
Visit by Colombian President Betancur (April 3-4); possible Joint Session speech by Betancur.	
Proposed Presidential television address on Nicaragua (April 4).	WHSpeechwriters (Elliott) NSC (North)
Second round of SFRC hearings on Soviet build-up in region (Helms) (prior to recess).	State/H
CODEL visits during recess (April 4-14). Nicaraguan refugee camps in Honduras and Costa Rica (include visit to freedom fighter base camp and hospital [redacted].	NSC (North) (Lehman)
CODEL visit during recess (April 4-14) with regional leaders of Central America. Regional leaders convey importance of resistance fighters in NU.	NSC (North) (Lehman)
Administration and prominent non-USG spokesman on network shows regarding Soviet, Cuban, East German, and Libyan, Iranian connection with Sandinistas.	WH/PA (Sims) WH (Buchanan) State/LPD
Publ[illegible]ated "Green Book;" distribute pe[illegible] to Congressmen, media outlets, pri[illegible]anizations, and individuals interested in Nicaragua. Pass to Lew Lehrman and other interested groups.	State/LPD (Reich) WH/LA State/H (Fox)
Distribute paper on geopolitical consequences of Communist domination of Nicaragua.	State/LPD
Release paper on Nicaraguan drug involvement.	State/LPD (Blacken) NSC (North)

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April 8-24, 1985 (During recess)

Event	**Responsibility**
25 Central American spokesmen arrive in Miami for briefing before departing to visit Congressional districts. Along with national television commercial campaign in 45 media markets.	CFA (Abramoff)
Targeted telephone campaign begins in 120 Congressional districts. CITIZENS FOR AMERICA district activists organize phone-tree to targeted Congressional offices encouraging them to vote for aid to the freedom fighters in Nicaragua.	CFA (Abramoff)
Lew Lehrman speaking tour of major U.S. cities.	CFA
Telephone campaign.	
Central American spokesmen conduct rallies throughout the country in conjunction with CITIZENS FOR AMERICA activists (starting April 12).	CFA
Nationally coordinated sermons about aid to the freedom fighters are conducted (April 14).	
Naval Institute Seminar in Newport, RI (Lugar, McFarlane [April 12]).	

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N 40327

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April 1[illegible]1, 1985

Event	Responsibility
Nicaraguan Refugee Fund (NRF) dinner, Washington, DC; President as Guest of Honor (April 15).	State/LPD (Miller) NSC (Raymond)
Presidential report to Congress on reasons for releasing funds to freedom fighters (April 15).	NSC State
AAA available to Washington press.	State/LPD (Gomez)
Central American spokesmen visit Congressional offices on Capitol Hill (April 16).	Abramoff
SFRC Nicaraguan issues, open hearing (April 16-17).	
Washington conference "Central America: Resistance or Surrender" (Presidential drop-by?) (April 17).	NSC Abramoff
Barnes' subcommittee hearing on Nicaragua; Motley, public witnesses (April 18) (2170 Rayburn, 2:00 p.m.).	
Presidential Radio Address (April 20).	WH (Elliott)

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April 22-29, 1985

Event	Responsibility
House Appropriations (Obey subcommittee) intelligence brief on Central America/ Latin America (April 23).	
Obey subcommittee (panel on Central America), public witnesses (a.m.)/Administration witnesses (p.m.) (April 24).	
Major rally in the Orange Bowl in Miami, Florida, attended by President Reagan and important Administration figures (April 28).	Cuban American National Foundation State/LPD (Reich)
Presidential calls to key members.	WH (Friedersdorf) NSC (Lehman)

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N 40329

CONFI

April 30, 1985

Event	Responsibility
Vote in the U.S. Congress on aid to the Nicaraguan freedom fighters (April 30).	WH (Friedersdorf) NSC (Lehman)
President leaves for Europe.	

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March 20, 1985

N 40330

PUBLIC DIPLOMACY PRESIDENTIAL EVENTS REGARDING NICARAGUAN RESISTANCE

Event	Responsibility
March [illegible]22, 1985	
Argentine state visit; President emphasize need for OAS case (March 19).	WH (Elliott)
March 23-31, 1985	
Presidential breakfasts, lunches, and WHSR meetings with key Congressional leaders (March 24 through vote).	
President to meet in Room 450 w/"Spirit of Freedom," concerned citizens for Democracy. Representatives from 8 countries (180) (March 25).	
April 1-7, 1985	
Visit by various members of European parliments who support the President's policies in Central America (April 2).	NSC (Raymond) WH/OPL (Reilly)
Visit by Colombian President Betancur (April 3-4); possible Joint Session speech.	
Presidential television address on budget (April 4).	WHSpeechwriters (Elliott)
Presidential meeting with AAA.	NSC (North)
April 15-21, 1985	
Conference on religious freedom; Presidential drop-by in Rm 450, OEOB.	NSC (Raymond)
Nicaraguan Refugee Fund (NRF) dinner, Washi[illegible], DC; President as Guest of Hono[illegible]l 15).	State/LPD (Miller) NSC (Raymond)
Pres[illegible]l report to Congress on reasons for [illegible]ng funds to freedom fighters (April [illegible]).	NSC State
Possible Presidential meeting with AAA.	NSC (North)
Possible Presidential visit with former Central American Presidents, Foreign Ministers, and Presidential candidates.	NSC (North) S/LPD (Reich)
Presidential Radio Address (April 20).	WH (Elliott)

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Event	Responsibility
April 22-29, 1985	
Proposed visit to Washington by Presidents Monge, Duarte, and Suazo.	NSC (North) S/ARA (Michel)
Presidential calls to key members.	WH (Friedersdorf) NSC (Lehman)
Major rally in the Orange Bowl in Miami, Florida, attended by President Reagan and important Administration figures (April 28).	Cuban American National Foundation
April 30, 1985	
Proposed Congressional vote; President leaves for Europe.	

To	Name and Address	Date	Initials
1	Robert McFarlane		
2			
3			
4			
5			
6			

X	ACTION		FILE
	APPROVAL		INFORMATION
	COMMENT		PREPARE REPLY
	CONCURRENCE		RECOMMENDATION
	DIRECT REPLY		RETURN
	DISPATCH		SIGNATURE

REMARKS:

cc: Oliver North (#2 and 3)
Jim Radzimski (#4)
Don Fortier (#5)

Ch 2 #311, 313

2-311

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1420

Chron 3/21

N 40316

NSC/ICS CONTROL NO. 400300 Re-do

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NSC INTELLIGENCE DOCUMENT

1198

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

Par[illegible] 22 June 1987

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OLNOFF BOX 21-25
3/31/87

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MEMORANDUM

~~SECRET~~

ACTION

NATIONAL SECURITY COUNCIL

March 22, 1985

SYSTEM IV
NSC/ICS-400300
Re-do

N 40317

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH
DONALD R. FORTIER

SUBJECT: Timing and the Nicaraguan Resistance Vote

Based on the advice from ADM Poindexter that we are proceeding with a vote before the President's departure for the European Summit, the schedule of events to support an affirmative vote on the resistance program has been revised. The most recent version of the chronology of events is attached at Tab A.

In order to reduce the amount of Presidential time allocated to this issue, the new schedule omits several of the events we had originally planned in the four communications/media meetings we have had with Pat Buchanan's ad hoc working group. Per ADM Poindexter's guidance the schedule continues to focus on a vote at the end of April, triggered by submission of the required report on or about April 15. A very rough draft of the report is attached at Tab B.

In addition to the events depicted on the internal chronology at Tab A, other activities in the region will continue, including military operations and political action. Like the chronology, these events are also timed to a vote at the end of April:

-- planned travel by Calero, Cruz, and Robelo;

-- various efforts designed to support significantly increased military operations immediately after the vote (we expect major Sandinista crossborder attacks in this timeframe--today's resupply to [redacted] from [redacted] went well); and [redacted]

-- special operations against highly visible military targets in Nicaragua.

Some of these efforts are already well underway. For example, yesterday Bernardario Larios, former Sandinista Defense Minister, defected to Costa Rica and is now in Panama (you were briefed on this operation during the trip). Others, however, including actions by U.S. interests groups, are very sensitive to the timing. Next week the networks auction their air time for 15, 30, and 60 second commercials during prime viewing hours. Based on the decision to proceed with a vote at the end of April, these groups will commit nearly $2M for commercial air time and the production of various advertising media.

~~SECRET~~
Declassify: OADR

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Based on the input from ADM Poindexter, the groups have been told to cast their advertising and public contacts in a general campaign focused on "support for the Nicaraguan freedom fighters." The ads, mailings, and telephone contacts will be structured in such a way that they will not define the nature of "support." Thus, if we decide to request only non-lethal funding from the Congress, the political action campaign will still be relevant.

Before Senator Durenburger delivers his planned speech on this issue at the National Press Club next Tuesday, March 26, we should give him a sense for where we are headed before he speaks. In this regard, the draft at Tab B needs to be refined--particularly the portion from pages 21-25. As you know, we have constructed (and have tacit interagency approval for) a baseline formula which does not include lethal assistance. We now need to decide what form our opening request should take:

-- covert and lethal assistance with the new restrictions; or

-- non-lethal aid to the resistance; or

-- a request which is non-specific on lethal/non-lethal support.

It now appears that the best we can hope for is a lifting of the 8066 restrictions and the expenditure of funds provided therein for non-lethal (or humanitarian) purposes. It is possible, however, that our public education campaign between now and when the report would be submitted could change a number of votes--thus, affecting the final form of our request. Since we will not know this for certain until late in the Congressional recess, we proposed that we proceed as follows:

-- Between now and April 12: refine the report and the three forms of the Presidential Determination (pages 21-25) as indicated above.

-- On the morning of April 15: meet with 8-10 key Congressional leaders from both Houses and both parties to the White House for a two-hour briefing hosted by you, Secretary Shultz, and WH Chief of Staff Regan. At this meeting, the senators/members would be provided with the Gates/Gorman briefing (one hour) which covers pages 1-20 of the report. They would then be asked to read each of the three funding options (pages 21-25). Based on their input (we believe they will recommend the second alternative--non-lethal), we will append the appropriate version to the report.

-- In the early afternoon of April 15: the President should meet with Cruz, Calero, and Robelo who, if necessary, will endorse the non-lethal option on the grounds that it will preserve the credibility of their March 1 San Jose Peace Offer.

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-- On the evening of April 15: in his address to the Nicaraguan Refugee Fund dinner, the President will announce that he has forwarded a report to the Congress asking for renewed support to the Nicaraguan Democratic opposition. If the report is being forwarded requesting non-lethal aid, his remarks will note that the report excludes military assistance in response to the plea of the resistance leaders so that their peace overture will have a chance to work. The remarks should also include (as would this version of the report) that "other forms of support will be provided if the peace proposal is rejected." This will cover us for the resumption of CIA support once the restrictions in Section 8066 are lifted.

We believe that this scenario is workable and will result in significant Congressional support for our proposal on the Hill--with a minimum of Presidential involvement. The events outlined for April 15 are important in that they will provide a public endorsement for less than we had originally hoped for and at the same time give the Congressional leadership a sense of having participated in the formulation. It is imperative that the plan outlined above be kept very closehold since any leak could seriously compromise the effort. Thus, the President's remarks at the NRF dinner on April 15 should be prepared by Ben Elliott in a manner similar to that in which we prepared the Grenada announcements. The rest of the action plan at Tab A is designed to support the proposal above and needs your approval for implementation by the Buchanan ad hoc working group.

RECOMMENDATIONS

1. That you review the chronology at Tab A and approve these events for implementation.

Approve _____ Disapprove _____

2. That you approve the concept outlined above for events on April 15 (these are not included in the checklist at Tab A).

Approve _____ Disapprove _____

3. That you review the draft report at Tab B and approve the formulation of non-lethal and non-specific versions of the President's determination (pages 21-25).

Approve _____ Disapprove _____

Attachments
Tab A - Chronological Event Checklist (dtd March 20, 1985)
Tab B - Draft Report

~~SECRET~~

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Chapter 2, Footnote 312
N 18785

UNCLASSIFIED

April 1, 1985

MEMORANDUM FOR ROBERT C. MCFARLANE

2-312

FROM: DON FORTIER

SUBJECT: Contra Vote -- Delay to May

In following up on your meeting with Secretary Shultz, we have discussed the implications of a delay in the Congressional vote on contra aid until May. Obviously a number of adjustments in our approach will be necessary as a result of this slippage. These should be understood by Administration principals as soon as possible, so as to keep policy more or less coordinated.

We have considered the impact of a delay until May on the following dimensions of our policy:

1. Public perceptions of indecision. It is essential that from the beginning this delay be briefed as a response to the legislative calendar and the wishes of the Congressional leadership -- not because the votes aren't there or because we can't decide what to do. We have to underscore that we are going forward, and if anything, in the intervening period, we may want to turn the rhetorical heat up.

2. Announcement of request. Under our previous plan the content of the request would not have been announced until the same day the report was filed. But the two don't have to go together, and we'll have to look at this issue again. (The President, or Shultz, could announce what we'll ask for around the middle of the month.) By announcing the contents of the request earlier, we would have more time to rally support before actually filing.

3. San Juan offer. This will now expire before the Congressional debate even begins. Extending it can no longer be a surprise gimmick. It is not quite clear why it has to expire at all, of cour[redacted]t since this d[redacted] be necessary. [redacted]ut we should consider whether we might co[redacted]e stronger leadership by asking them, publicly and dire[redacted] to extend. (The obvious risk: compounding the impression of hesitation on our part.) If a long extension is necessary (e.g. 60 days) we'll have to think about how to contain the adverse effects of that. In general, as the offer recedes in time we may have to rely more on the mere fact of unity between the civilian and the armed opposition, and less on their proposal.

4/26/88

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DRF - Contra Assistance

4523

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N 18786

4. Content of request. If the San Juan offer is delayed for a longer period, we should consider offering assurances that the release of funds would be phased -- e.g., if the overall request is for non-lethal aid, then humanitarian aid could be permitted immediately; if the request is for lethal, then non-lethal would go right away.

5. Le[illegible] vs. non-lethal. It had seemed advantageous to have the reque[illegible]or non-lethal aid only come from the contras. We should revis[illegible]this question too, particularly if we're asking them for a longer extension than they'll like. Such a request may look a little phony. We may benefit, moreover, by being able to tell Congress that the contras want -- and need -- more than we're asking. This lays the basis for a larger request later.

6. Regional repercussions. Your Inauguration week trip to the area was crucial in sustaining the patience of our friends. Since we will seem to be backing off at the last minute, one (there are probably others) step to reassure them would be another quick tour explaining our approach.

7. Contadora. A delay will also create more opportunities for the revival of regional diplomacy. If the Core Four doubt our resolve, they will likely weaken on the terms of a Contadora pact. We have to consider how to keep them wedded them to the San Juan offer as an integral part of Contadora.

8. Privately-funded P.R. Media buys have already been made on the assumption that April would be the month of the contra debate. It may still be, but the media blitz will peter out longer before the vote. We have to make clear to our private supporters that we are not abandoning them, and that they play a crucial role in putting the heat on Congress earlier. Note: If we go public with our request early, we gain the advantage that this media campaign can be specific, not just generic.

[redacted]

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To	Name and Address	Date	Initials
1	Robert McFarlane		
2			
3			
4			
5			
6			

☒	ACTION	☐	FILE
☐	APPROVAL	☐	INFORMATION
☐	COMMENT	☐	PREPARE REPLY
☐	CONCURRENCE	☐	RECOMMENDATION
☐	DIRECT REPLY	☐	RETURN
☐	DISPATCH	☐	SIGNATURE

REMARKS:

cc: Oliver North (#2 and 3)
Jim Radzimski (#4)
Don Fortier (#5)

Ch 2 #311, 313

2-313

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Chron 3/21

N 40316

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Pa[illegible] 22 June 1987
[illegible]

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KNOFF BOX 21-25
3/31/87

SECRET

MEMORANDUM

NATIONAL SECURITY COUNCIL

March 22, 1985

SYSTEM IV
NSC/ICS-400300
Re-do

N 40317

~~SECRET~~

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH
DONALD R. FORTIER

SUBJECT: Timing and the Nicaraguan Resistance Vote

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Declassify: OADR

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RECOMMENDATIONS

1. That you review the chronology at Tab A and approve these events for implementation.

Approve _____ Disapprove _____

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Approve _____ Disapprove _____

3. That you review the draft report at Tab B and approve the formulation of non-lethal and non-specific versions of the President's determination (pages 21-25).

Approve _____ Disapprove _____

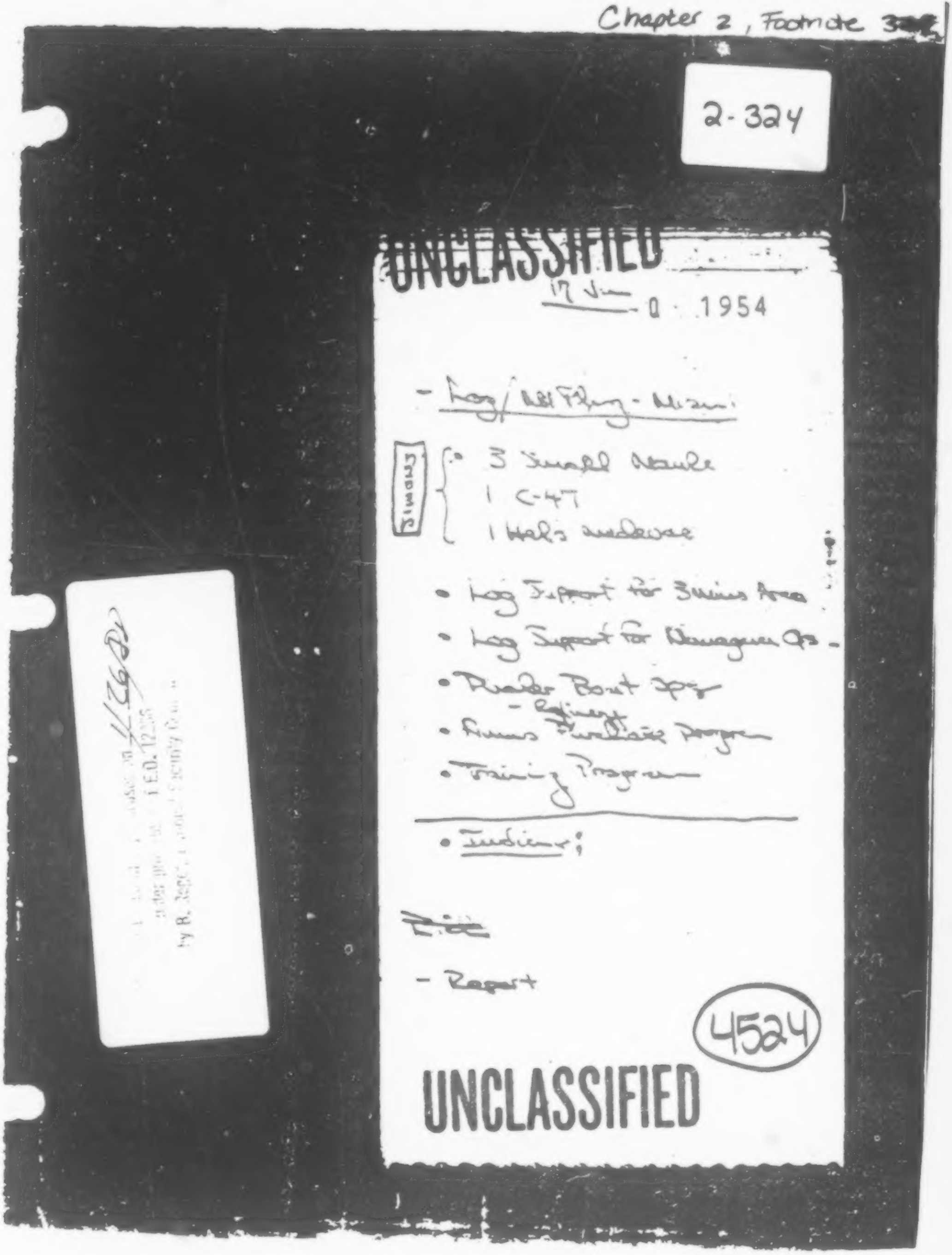
Attachments
Tab A - Chronological Event Checklist (dtd March 20, 1985)
Tab B - Draft Report

UNCLASSIFIED

2-321

- See Hearing Exhibit RCM-37

Chapter 2, Footnote 3



2-324

UNCLASSIFIED

17 Jun - 0 . 1954

- Log/ Air Flying - Miami

Simons
- 3 Small Planes
- 1 C-47
- 1 Helo's underway

- Log Support for Southern Area
- Log Support for Nicaraguan Ops -
- Riverine Boat Ops
  - Refinery
- Arms Purchase Program
- Training Program

- Indians;

~~[illegible]~~

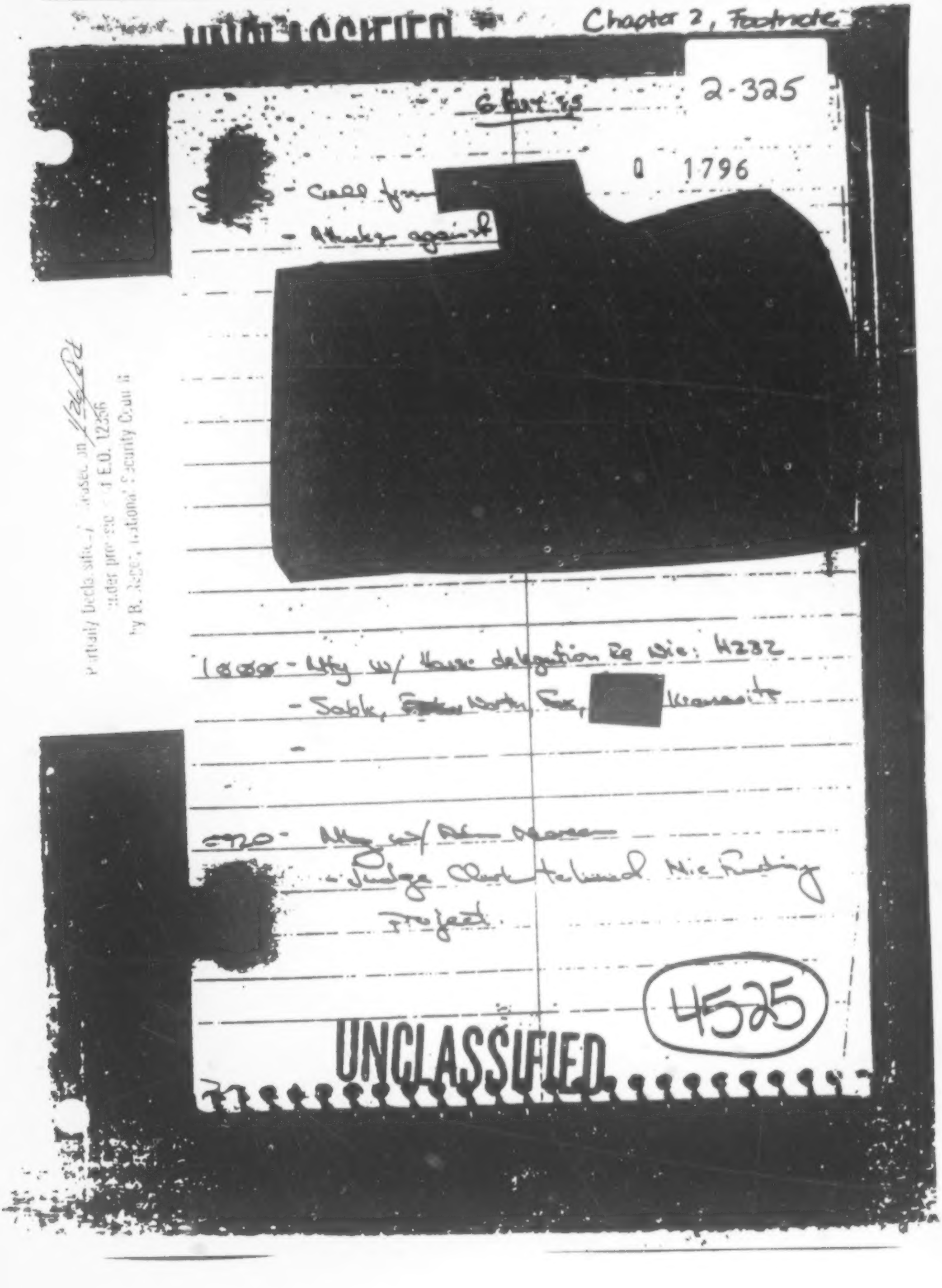
- Report

4524

UNCLASSIFIED

[illegible] release on 1/26/88
under provisions of E.O. 12356
by B. Reger, National Security Council

See Hearing Exhibit C/CATF-43-7



UNCLASSIFIED

Chapter 2, Footnote

2-325

6 Aug 85

Q 1796

- Call from [redacted]
- Attacks against

Partially Declassified/Released on 1/26/88
under provisions of E.O. 12356
by B. Reger, National Security Council

1000 - Mtg w/ House delegation re Nic: H232
- Sable, ~~Foster~~ North, Fox, [redacted] Kovasite

1120 - Mtg w/ Ah. Moreno
- Judge Clark re: Nic Funding Project.

4525

UNCLASSIFIED

7 Nov 85

Q - 1600

1745 — Call from Adolfo
- no reports from [redacted]
- for local reasons, being cautious to move
- have ~~[illegible]~~ not been able to talk to [redacted]
- waiting for word as where they want the DOs to move to

[redacted]

1815 — 071820 Z Nicaragua
Re Miller CODEL

1845 — Call from Jack
Arturo
Alfonso
Adolfo
} Dep. 10 Ret 25 Nov
~~[illegible]~~ wanted to go.
Can't go now.

45246

UNCLASSIFIED

Partially declassified/released on [illegible] under provisions of E.O. 12356 by B. Reger, National Security Council

UNCLASSIFIED

3 May 1308

1600 - Call from [redacted]

Calero Mtg w [redacted]

1st Stage: immed. vacate [redacted]

will have to vacate - leave behind

gear

[redacted]

[redacted]

(4527)

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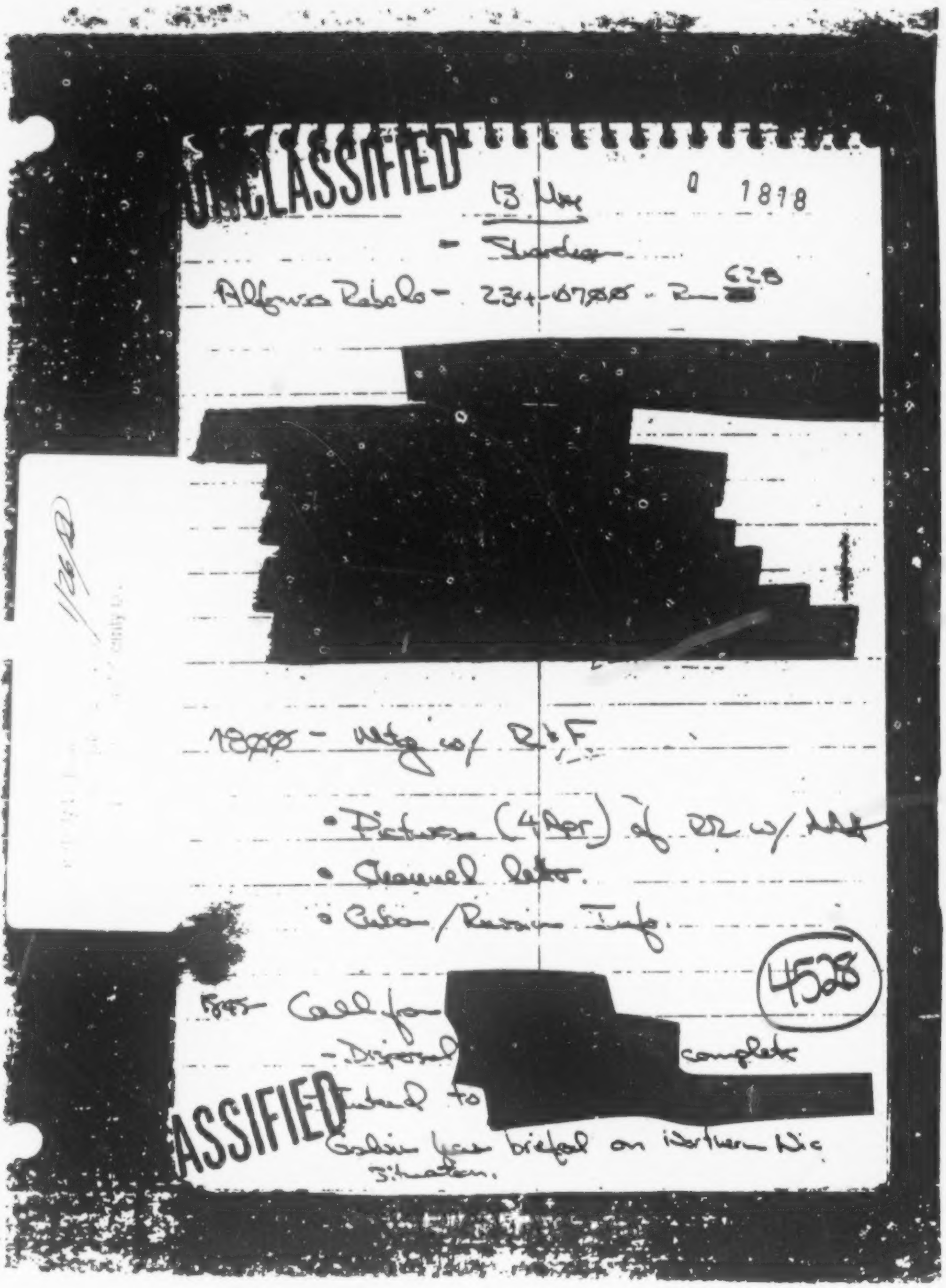


UNCLASSIFIED

13 Mar   Q 1818

- Shadee

Alfonso Robelo - 234-0700 - R - 628 [redacted]

[redacted]

1800 - Mtg w/ R & F

- Pictures (4 Apr) of RR w/ [illegible]
- Channel letter.
- Cuba / Russian Info.

(4528)

1845 - Call from [redacted]
- Disposal [redacted] complete
~~[illegible]~~ intend to [redacted]

ASSIFIED

Galvin have briefed on Northern Nic situation.

1/26/88

Ch 2 #326

UNCLASSIFIED

2-326

Document

N40240 - N40268

29 pages

Deleted in its Entirety

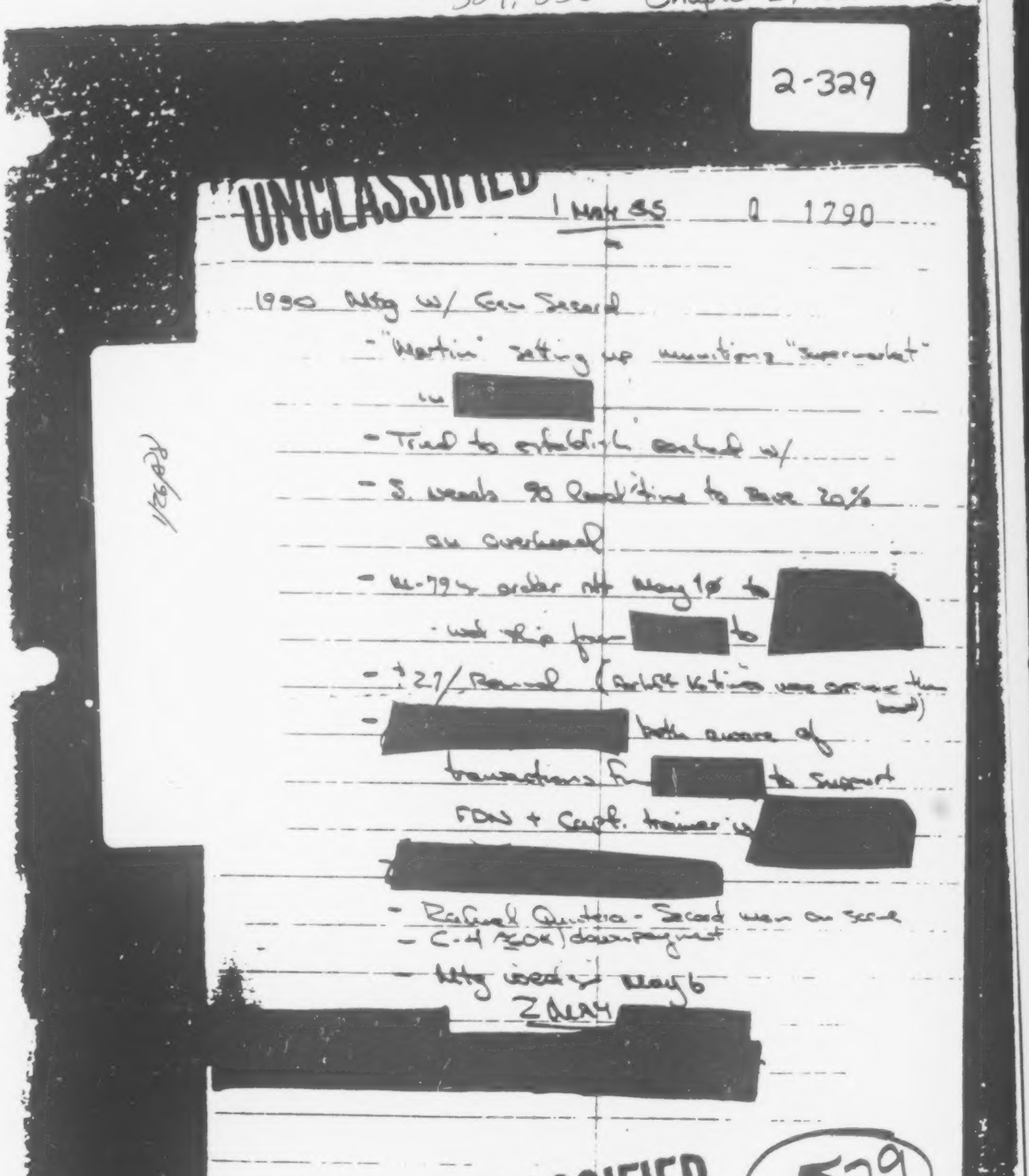
Declassified/Released on 9 Jul 1987
under provisions of E.O. 12356
By B. Reger, National Security Council

2044

2-327

See Hearing Exhibit GPS-78

#329, 336 Chapter 2, Footnote 329



2-329

UNCLASSIFIED

1 May 85 Q 1790

1930 Mtg w/ Gen Secord
- "Martin" setting up munitions "supermarket" in [redacted]
- Tried to establish contact w/
- S. needs 90 lead time to save 20% on overhead
- M-79's order nlt May 10 to [redacted]
  - wd ship fm [redacted] to [redacted]
- $27/Round (Airlift costing was more than the bullet)
- [redacted] both aware of transactions fm [redacted] to support FDN & Capt. trainer in [redacted]

[redacted]

- Rafael Quintero - Secord man on scene
- C-4 ($20K) downpayment
- Mtg ended ~ May 6

2024

[redacted]

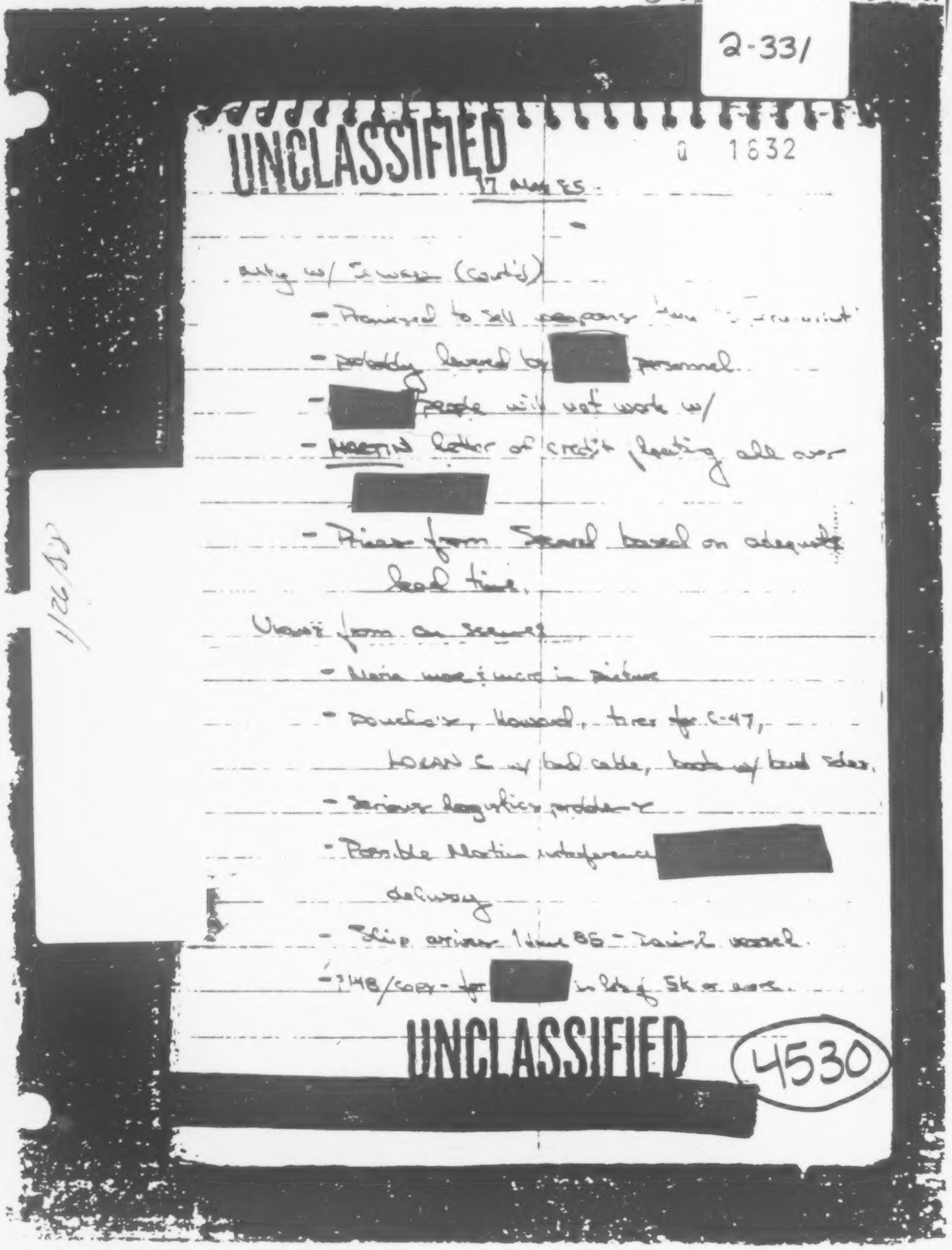
1/29/84

UNCLASSIFIED

4529

Chapter 2 Footnote 331

2-331



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0 1632

17 MAY 85

Mtg w/ [illegible] (cont'd)

- Promised to sell weapons [illegible]
- probably leaned by [redacted] personnel
- [redacted] people will not work w/
- MARTIN letter of credit floating all over [redacted]
- Prices from Secord based on adequate lead time.

Views from on scene:

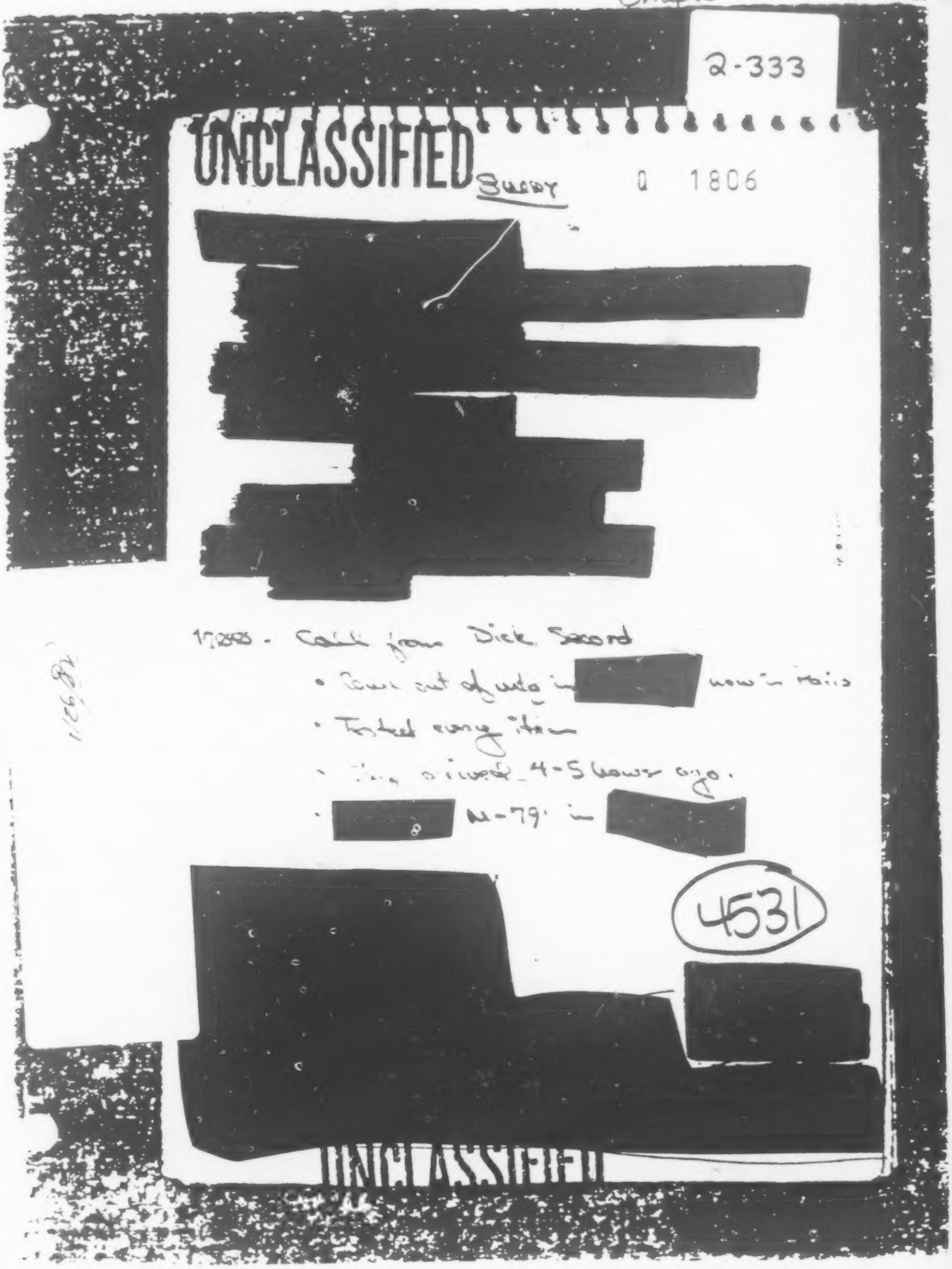
- [illegible] more & more in picture
- Dowdle's, Howard, tires for C-47, LORAN C w/ bad cable, boots w/ bad soles.
- Serious logistics problems
- Possible Martin interference [redacted] delivery
- Ship arrives 1 June 85 - Danish vessel
- $148/copy - for [redacted] in lots of 5K or more.

UNCLASSIFIED

4530

1/26/88

Chapter 2, Footnote 333



2-333

UNCLASSIFIED Buddy Q 1806

[redacted]

1720 - Call from Dick Secord
- Came out of mtg in [redacted] now in Paris
- Tested every item
- [illegible] arrived 4-5 hours ago.
- [redacted] w-79' in [redacted]

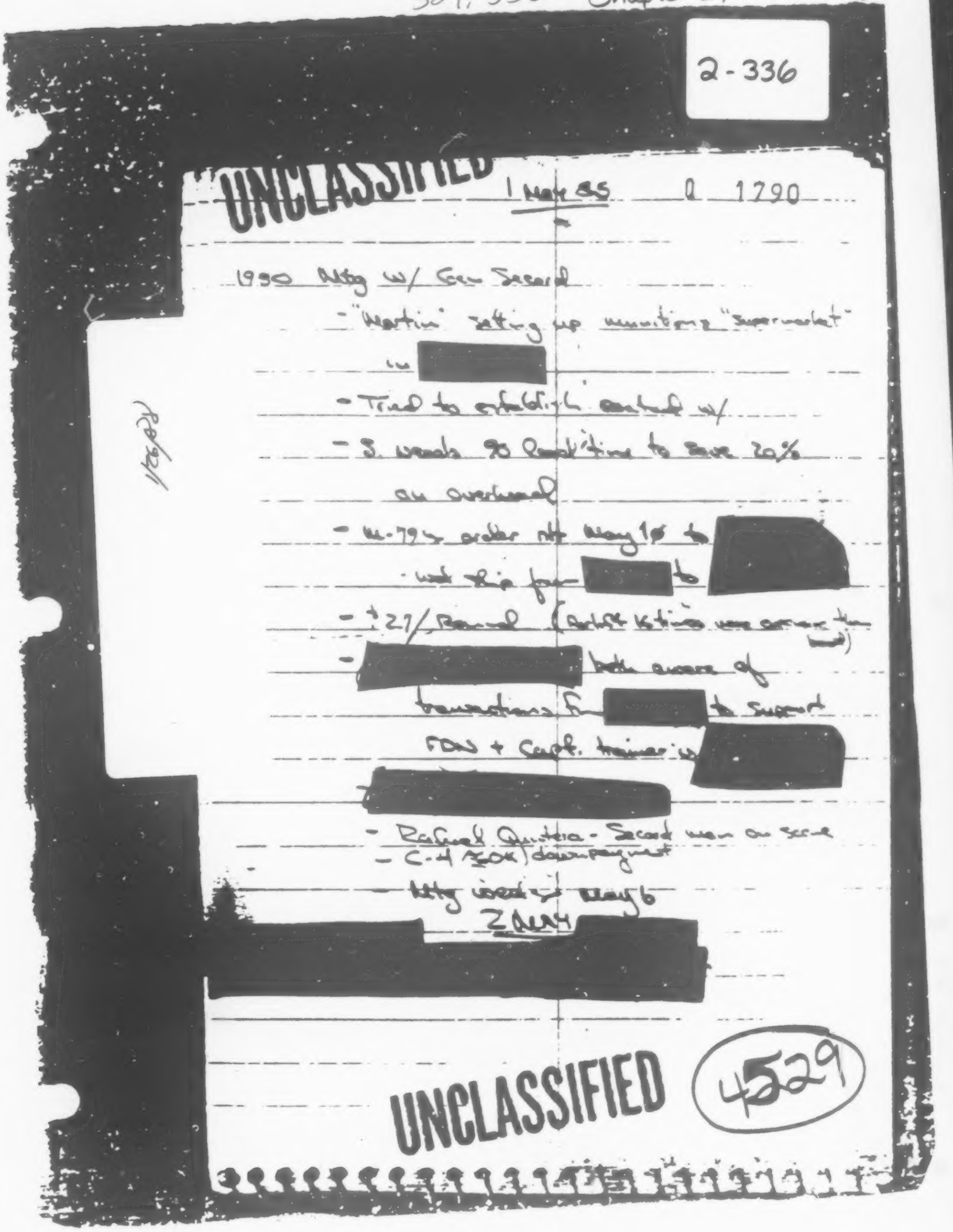
4531

[redacted]

UNCLASSIFIED

1126B

#329, 336 Chapter 2, Footnote 32



2-336

UNCLASSIFIED

1 May 85 Q 1790

1930 Mtg w/ Gen Secord
- "Martin" setting up munitions "supermarket" in [redacted]
- Tried to establish contact w/
- 3. weeks 90 lead time to save 20% on overhead
- M-79s order nlt May 10 to [redacted]
  - will ship for [redacted] to [redacted]
- $27/Barrel (Airlift 16 times more than [illegible])
- [redacted] both aware of transactions fm [redacted] to support FDN + Capt. trainees w/ [redacted]

[redacted]

- Rafael Quintero - Second man on scene
- C-4 ($30K) downpayment
- Mtg [illegible] May 6

2 MAY

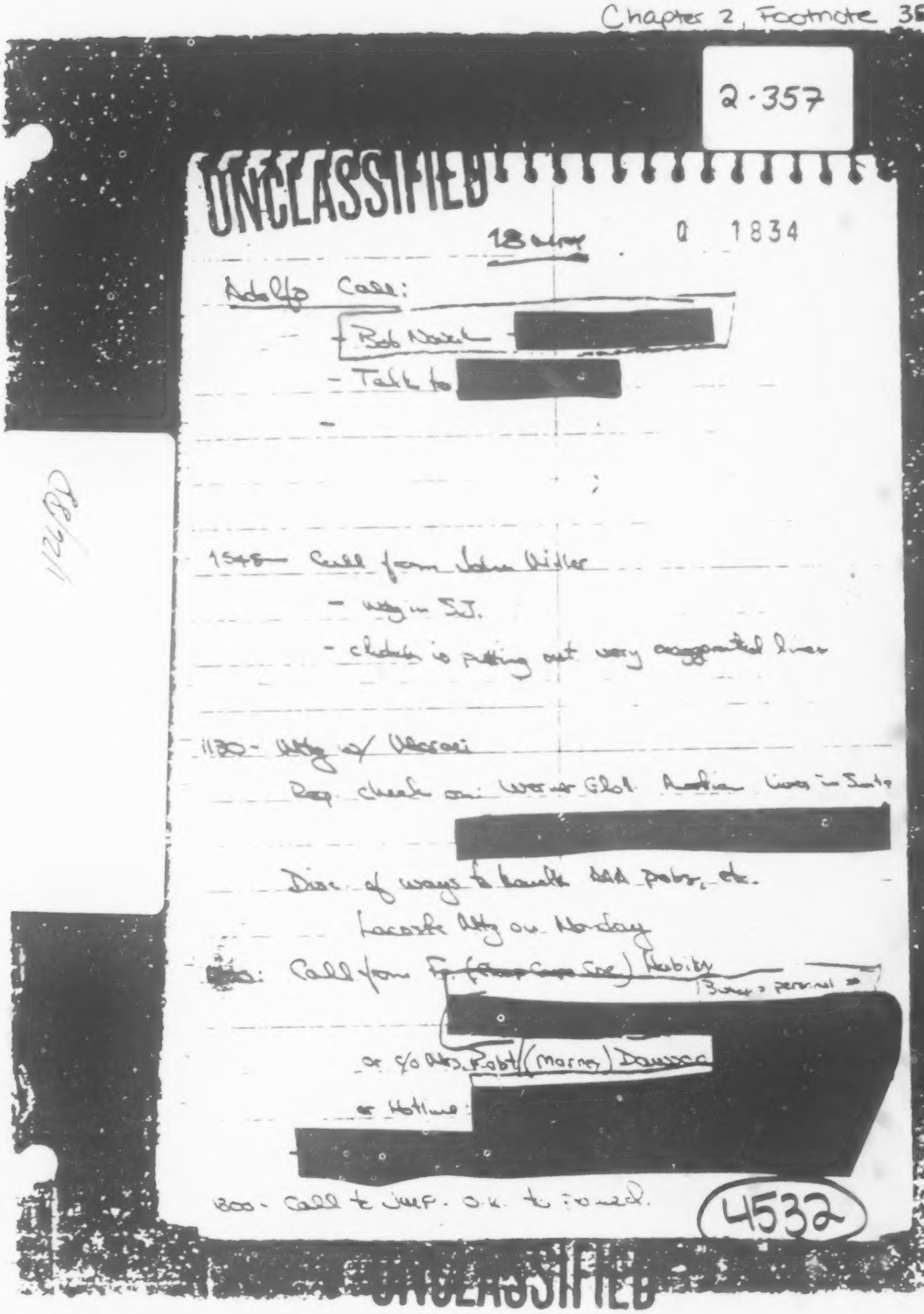
[redacted]

Ref 21

UNCLASSIFIED

4529

Chapter 2, Footnote 357



2-357

UNCLASSIFIED

18 Nov

Q 1834

Adolfo Call:

- Bob Nault - [redacted]
- Talk to [redacted]
-

1548 - Call from John Hidler
- way in S.J.
- chicks is putting out very exaggerated lines

1130 - Mtg w/ Vaccari

Req. check on: Werner Glol. Austrian lives in Santa [redacted]

Disc. of ways to handle AAA probs, etc.

Lacoste Mtg on Monday

: Call from Fr. ~~(Fmr Canon Soc)~~ Hobity

Bunny = personal = [redacted]

or c/o Mrs. Robt (Marney) Dawson

or Hotline:

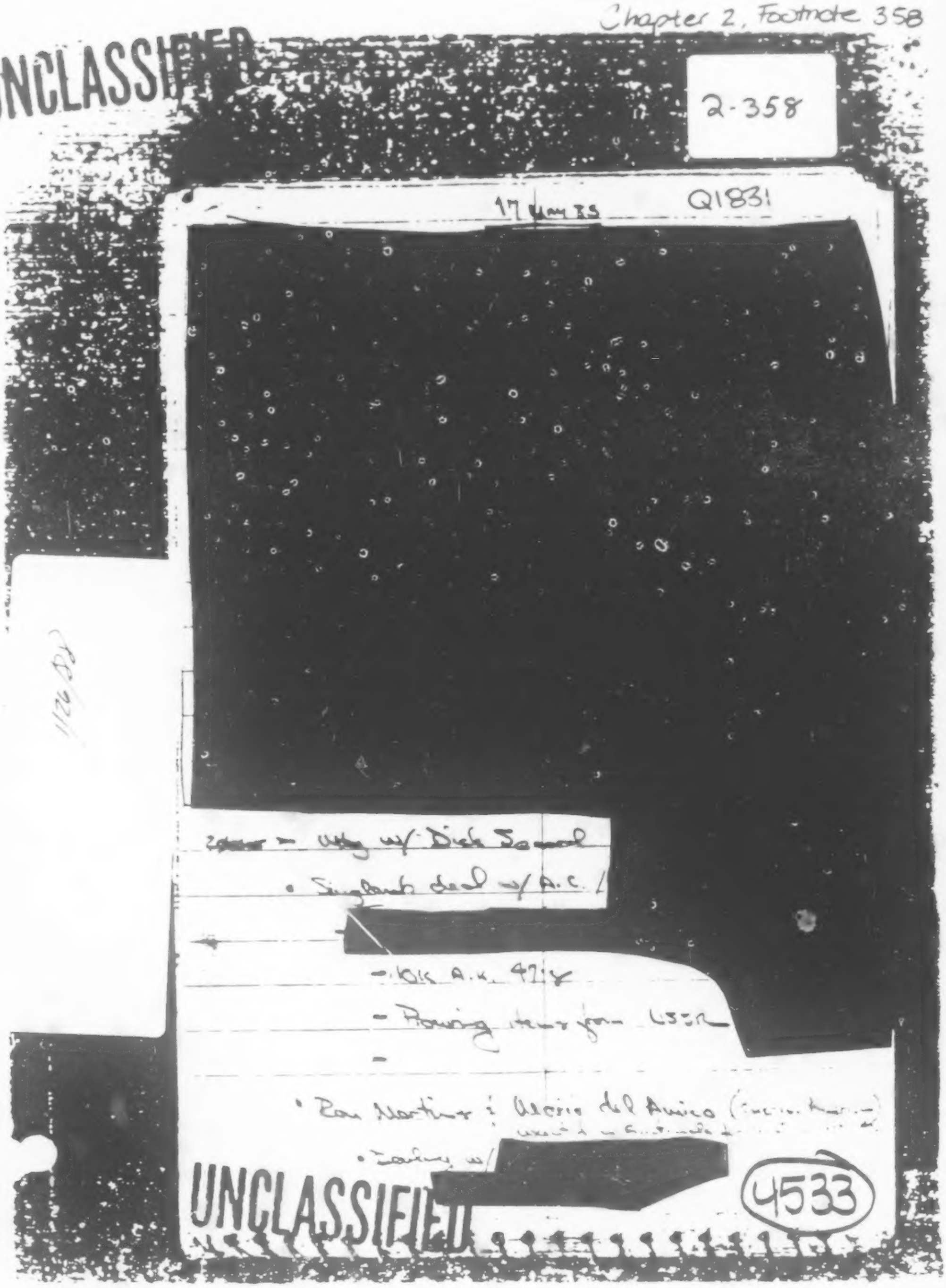
1800 - Call to JMF. O.K. to proceed.

4532

UNCLASSIFIED

11/2/88

Chapter 2, Footnote 358



UNCLASSIFIED

2-358

17 Jan 85 Q1831

[redacted]

1/26 BD

2pm - Mtg w/ Dick Secord

- Singlaub deal w/ A.C. /

[redacted]

- 10K A.K. 47's

- Pricing items from USSR

-

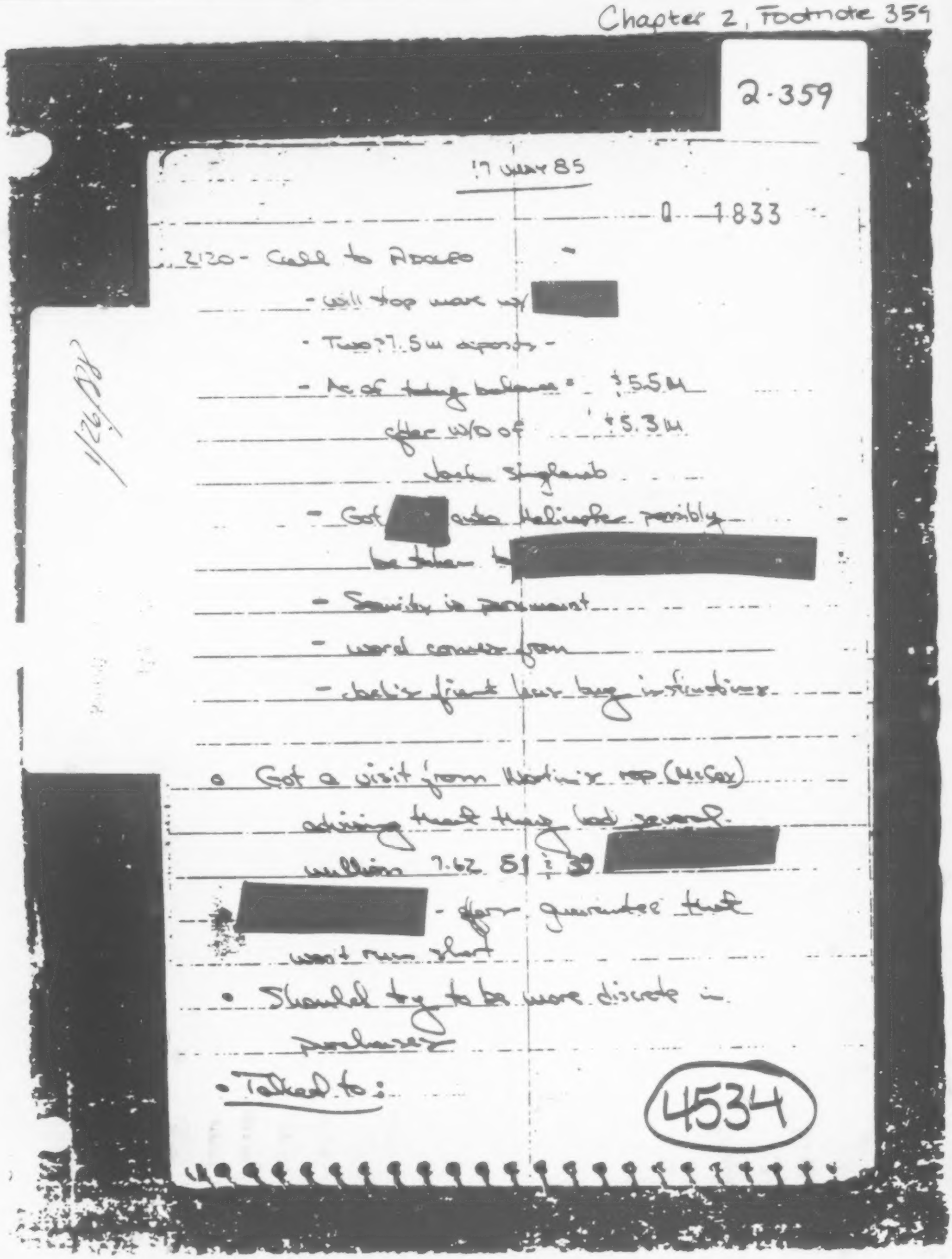
- Ron Martin & Mario del Amico ([illegible]) [illegible]

- Dealing w/ [redacted]

UNCLASSIFIED

4533

Chapter 2, Footnote 359



2-359

17 May 85

Q 1833

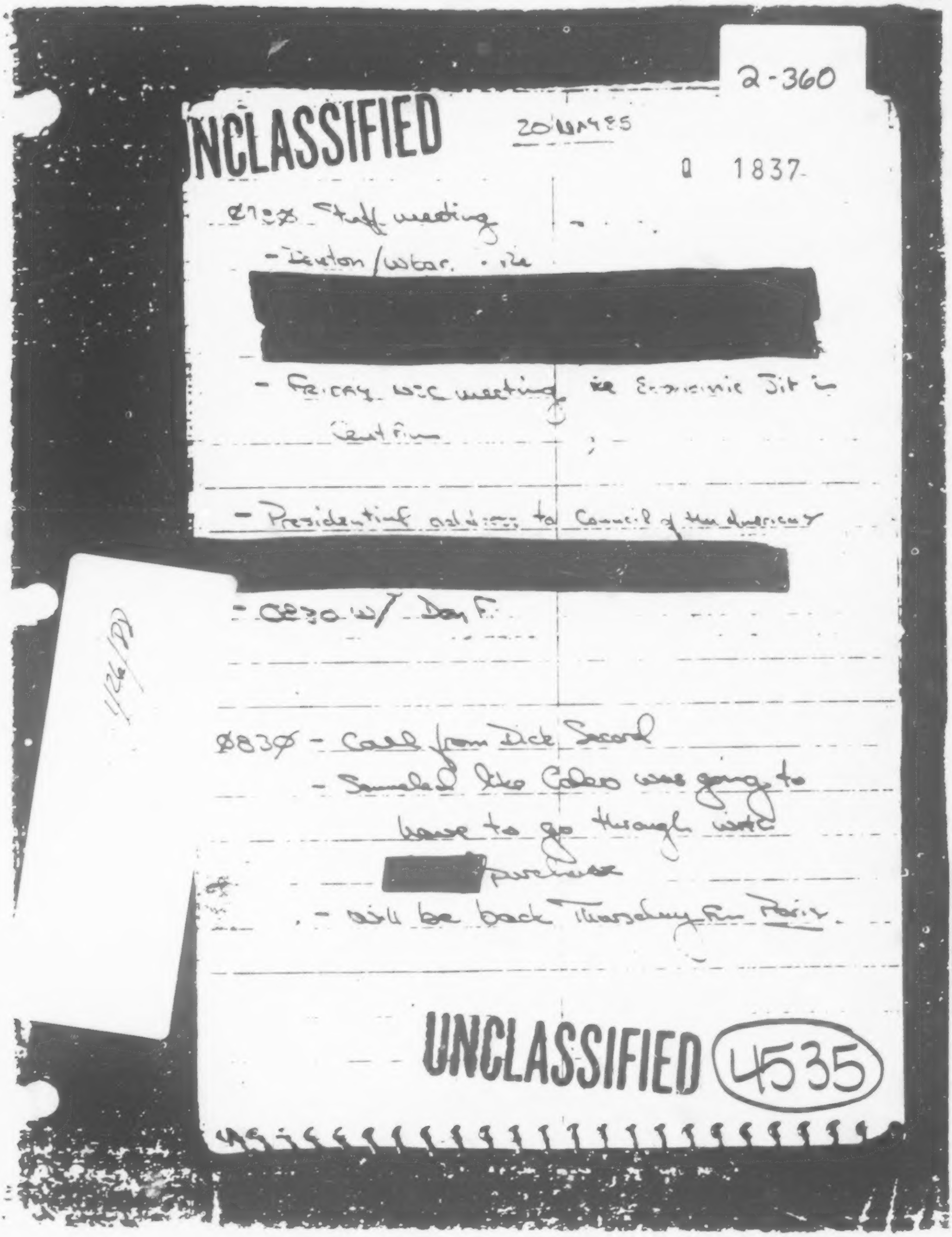
2120 - Call to Adolfo
- will stop work w/ [redacted]
- Two $7.5M deposits -
- As of today balance = $5.5M
after W/D of $5.3M
Jack Singlaub
- Got [redacted] into helicopter possibly
be taken to [redacted]
- Security is paramount
- word comes from
- Jack's first hour big infiltrations

1/26/88

- Got a visit from Martin's rep (McCoy) advising that they had several million 7.62 51 & 39 [redacted] [redacted] - they guarantee that won't run short
- Should try to be more discrete in purchases
- Talked to:

4534

Chapter 2, Footnote 360



2-360

UNCLASSIFIED

20 JAN 85

Q 1837

0700 Staff meeting

- Benton/Wbar. re

[redacted]

- Friday NSC meeting re Economic Sit in Cent Am

- Presidential address to Council of the Americas

[redacted]

- 0830 w/ Don F.

1/26/85

0830 - Call from Dick Secord

- Sounded like Calero was going to have to go through with [redacted] purchase

- will be back Thursday fm Paris.

UNCLASSIFIED 4535

2-362

CLASSIFIED AT TIME OF PUBLICATION.

Chapter 2, Footnote 364

2-364

UNCLASSIFIED 15 Nov

0-1825

~~Mtg~~ Mtg w/ Ed. H., Ned C., B.U

[redacted]

1850 - Call from Adolfo

- Are there any risks of accounts being frozen?
- Fed Reserve has affiliation w/ these banks
- Could A.S.'s personal accounts be frozen?
- Re Jack's offer for [redacted] $5M
  have enough to cover this but will leave nothing.
  $2M Down ; $3M due Friday

UNCLASSIFIED

4536

UNCLASSIFIED

Chapter 2 # 364

CALERO BANK TRANSACTIONS
(Sorted by Transaction Date)

Report Date: 6-04-87

Date	Reference Bank / Calero Account	Transaction Type	Disbursements	Receipts	Balance
10-01-86	[redacted]	[redacted]	100,125.00		107,354.88
10-01-86	[redacted]	[redacted]	100,125.00		7,229.88
10-03-86	[redacted]	[redacted]		149,906.25	157,136.13
10-03-86	[redacted]	[redacted]	45,000.00		112,136.13
10-03-86	[redacted]	[redacted]	5,000.00		107,136.13
10-07-86	[redacted]	[redacted]		45,000.00	152,136.13
10-07-86	[redacted]	[redacted]	45,000.00		107,136.13
10-22-86	[redacted]	[redacted]	25.00		107,111.13
10-31-86	[redacted]	[redacted]		35.36	107,146.49
10-31-86	[redacted]	[redacted]		74.67	107,221.16
10-31-86	[redacted]	[redacted]		186.72	107,407.88
11-04-86	[redacted]	[redacted]		45,000.00	152,407.88
11-04-86	[redacted]	[redacted]	45,000.00		107,407.88
11-27-86	[redacted]	[redacted]	5.00		107,402.88
11-30-86	[redacted]	[redacted]		30.35	107,433.23

11/26/88

0 4737

UNCLASSIFIED

453

CHAPTER 3. THE ENTERPRISE ASSUMES CONTROL OF CONTRA SUPPORT

3-1 Footnote 1

UNCLASSIFIED

The following information was provided to the Committee by General Richard V. Secord on August 18, 1987:

1. By the time of the meeting on or about July 1, 1985, at the Miami Airport Hotel, LtC North had repeatedly informed Secord that North was concerned that the Contras had not formed an effective air resupply program. North also stated that the FDN had a large surplus of arms and that the primary need was delivering the arms to the troops inside Nicaragua. North also told Secord that aerial resupply was the sine qua non for the existence of a Southern Force, [redacted] North explained that a Southern Force could not exist without aerial resupply and that the FDN did not have the capability to undertake it. Hence, during the July 1 meeting, the need for an airlift was the top priority and the establishment of a Southern Front coincident with such an airlift was also stressed.

2. In the summer of 1985, Secord agreed, following North's request, to create the airlift for both the FDN and the Southern Front. In the beginning of August, Secord held a series of planning sessions with North and others to determine how to conduct the resupply program. There were three steps necessary to establish an effective operation. First, a logistic organization consisting of aircraft, spare parts, maintenance, communications and trained personnel had to be set up. For that, Secord turned to Richard Gadd. The second task was to obtain a secure operating base from which the aircraft could launch their missions. For this, Quintero, on Secord's instructions, consulted with the Contra leaders. [redacted] was initially considered to be the first choice. However, operating a major air resupply [redacted] would prove difficult at best. The runway, while long enough, was rough, undulating and poorly maintained, and sufficient fuel on site was not available. Quintero suggested [redacted] as a suitable alternative and Secord and North concurred. Lastly, Secord concluded that in order to establish a sustained air resupply operation on the Southern Front, an emergency airstrip stocked with a small amount of fuel was necessary as an abort base. Secord envisioned early on the possible use of C-7 and C-123 or similar aircraft, and particularly if these aircraft flew [redacted] where a flight could be as long as nine hours, Secord felt that some kind of abort base had to be set up to handle in-flight emergencies or damage from enemy action. And for the Southern Front, Costa Rica was the only location possible for this emergency landing field. When Secord discussed with North the idea of an emergency field, North immediately suggested Santa Elena in the northwest corner of Costa Rica, which had apparently been considered before by the United States Government for such an airstrip. North also thought that more than an emergency airfield could be established at Santa Elena and that Secord should aim to set up a secondary operating base for resupply to the Southern Front. Of course,

1/23/88

4587

UNCLASSIFIED

the entire project had to remain officially secret, [redacted]

3. In or about November, 1985, Richard Gadd had located three C-123's belonging to the [redacted] for possible purchase. However, [redacted] would not sell the aircraft without some sign of official approval from the United States Government. Col. North told Secord that he had asked both Robert McFarlane and the State Department for assistance. Secord believes that North said that North had talked to Elliott Abrams about informing the [redacted] that the United States Government supported the sale of these aircraft to ACE. The deal was never ultimately consummated because final approval was not received from the [redacted]

4. From the conception of the air resupply operation in July, 1985, through January 1986, Col. North impressed upon Secord the fact that they were operating with donated funds that were strictly limited. Similarly, from February 1986 to October 1986 when some funding was derived from the Iranian operations, funds for the Contra program were limited since the Iranian operation had increasing financial obligations. Due to the limited nature of funds available, the criteria Secord imposed on the purchase of aircraft and other equipment was to purchase the least expensive available that could adequately perform the task. Secord informed his subordinates of this need for strict economy, including Richard Gadd and, after May 1, 1986, Robert Dutton. Secord and North both discussed the limited availability of funds. The L-100 and Casa 212 turbo jet propeller driven aircraft were discussed by North and Secord during the summer and fall of 1985 as more desirable aircraft for the resupply operation but were rejected because of their high cost. By the fall of 1985, the estimate Secord had made to Col. North of what it would cost to run the air resupply operation until summer 1986 was approximately $4 million.

5. In the spring and early summer of 1985, North had decided to furnish the FDN with arms and air support directly, rather than the funds needed to secure these goods and services. As a result of an agreement that was reached with Calero and Bermudez in July 1985 at Miami, air resupply was the highest priority. It was further understood that any arms furnished directly to FDN custody would also be made available to non-FDN Contra units fighting in the South. In December 1985 and in February 1986, two plane loads of arms were delivered to the FDN by North and Secord. However, the FDN only reluctantly made those and other arms available for air drop to the Southern insurgents. As a result, Secord decided (North was informed) that sufficient arms and other supplies for air drop would be stored [redacted] and dropped directly to the South.

UNCLASSIFIED

6. During a meeting held on April 20, 1986, at [redacted] both Secord and North reiterated to Enrique Bermudez, [redacted] of the FDN the importance of the Southern Front and the difficulty of getting stocks out of the FDN, thus preparing the FDN for the future storage of Southern Front supplies directly [redacted] The FDN leaders expressed their dissatisfaction with the C-7 aircraft. Secord told them they were suitable aircraft and that the FDN had to have pilots trained to fly at night. There was some misunderstanding as to whether the FDN were the legal owners of the aircraft but North and Secord said the aircraft belonged to a private company dedicated to support all the Contras, both the FDN and the Southern Front. Also discussed at the meeting was the possible purchase for the FDN of Blowplipe surface-to-air missiles. During the April 20 meeting, [redacted]

7. In early June 1986 Secord decided to purchase an additional $3+ million in arms for the FDN. The decision to purchase an additional shipload of arms for the FDN was taken after Quintero relayed information from the FDN that their stocks were getting low. Payments for hundreds of tons of East European weapons were made in three installments from June 20 to July 16, 1986. North was informed, and he agreed with this decision.

8. In late 1985 through the summer of 1986, Secord arranged, after coordination with Col. North and the Contra leadership for the purchase and delivery of the arms shipments described in this paragraph. In December 1985 a load of 85,000 pounds of arms that the FDN had earlier paid Energy Resources arrived in Central America for the FDN. This was the last delivery of arms that the Contras paid for. The remaining arms deliveries were all donated free of charge.

In January and February 1986, after Rafael Quintero had consulted with Enrique Bermudez and various individuals connected with the Southern Front, Secord arranged for a delivery to Central America on a 707 aircraft of approximately 90,000 pounds of arms (worth $504,000) to the FDN. The arms were destined for both the FDN and the Southern Forces. In late April and again in late May, over $1.3 million worth of arms were procured and donated by Secord. These arms were delivered to [redacted] for use by the Southern Front Forces.

This memorandum accurately sets forth the facts I relayed to the staff of the Committee on August 18, 1987, and is a true and complete statement of facts.

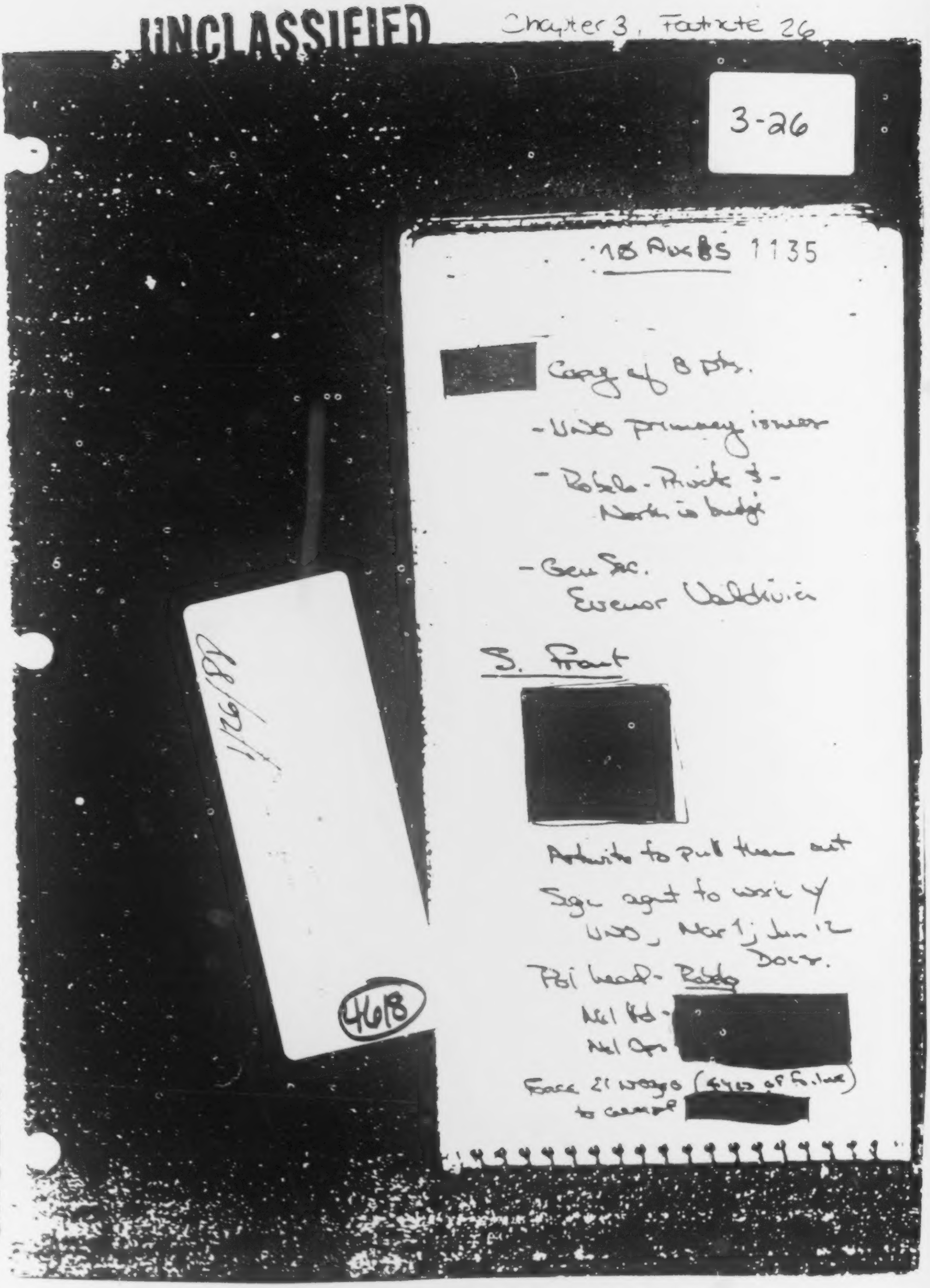
UNCLASSIFIED Richard V. Secord

Richard V. Secord

UNCLASSIFIED

Chapter 3, Footnote 26

3-26



18 Aug 85 1135

[redacted] Copy of 8 pts.

- UNO primary issues
- Robelo - Private $ - North in budget
- Gen Sec. Evenor Valdivia

S. Front

[redacted]

Activity to pull them out

Sign agmt to work w/ UNO, Mar 1; Jun 12 Doc.

Pol head - Robelo

Mil Hd - [redacted]

Mil Ops

Force 21 ways (4740 of f. line) to camp [redacted]

11/26/88

4618

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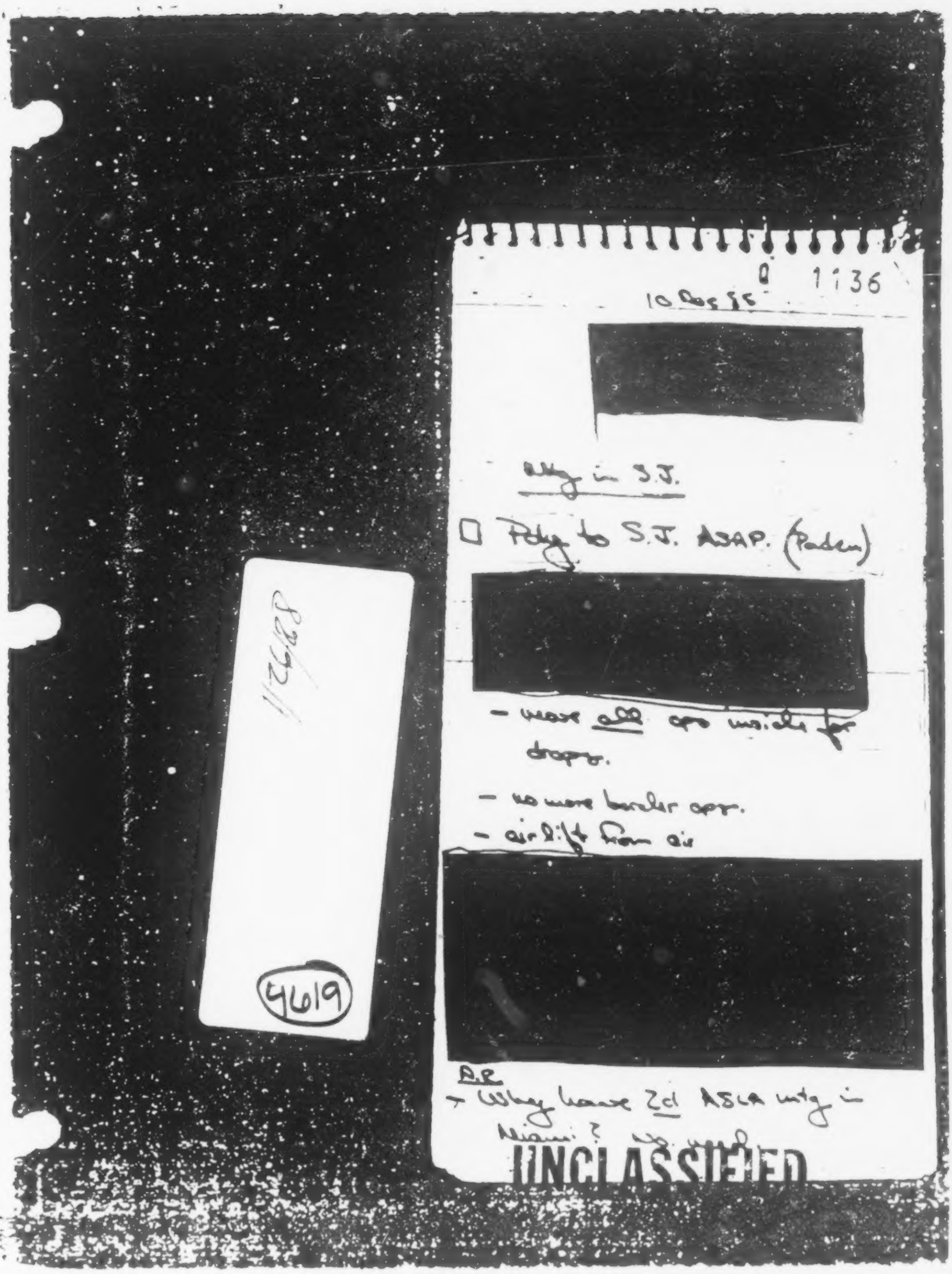


1/26/88

(4619)

0 1136

10 Dec 85

[redacted]

- mtg in S.J.

☐ Poly to S.J. ASAP. (Peden)

[redacted]

- move all ops inside for drops.
- no more border ops.
- airlift from air

[redacted]

AR

→ Why have 2d ASLA mtg in Miami? no [illegible]

UNCLASSIFIED

2 Dec 85 - 0 1137

2205 - Mtg w/ A.R.

[redacted] or
may be better
go inside

[redacted] was his
deputy - can go in
[redacted] to
go back up north.

- We can't have & going
to CA there [redacted]

- [redacted] trainers
to to train in
Log deliveries

- [redacted] to provide
Log |

- Hand write RR note
to UNO leaders.

- Mortar & Demo training
for force.

1/26/88

4620

UNCLASSIFIED

10 Aug 85 T138

A.C. mtg (contd)

- [redacted] comfortable w/ [redacted] policy and [redacted] or ops O.
- [redacted] concerned about [redacted] etc.
- John Hull to arrange for [redacted] training

★ - Why no attaboy to [redacted] for 29 aircraft

[redacted]

A.C. Comments on [redacted] document

- U.N.O. - incremental, based on accomplishing objective
- ✓ - UNO needs real authority.
- ✓ - UNO is the vehicle.
- UNO/FDN/UNO/SUO/UNO/[illegible]

★ UNO mtg in S.J. last week of August to finalize consensus

UNO mtg ~~last~~ and a

1/26/88

4621

UNCLASSIFIED

10 AUG 85 1139

Δ [redacted]

- Picture of RR

[redacted]fficers

[redacted]

Ross
Reqd
- PR 77's ASAP
- Secure Communications

[redacted]

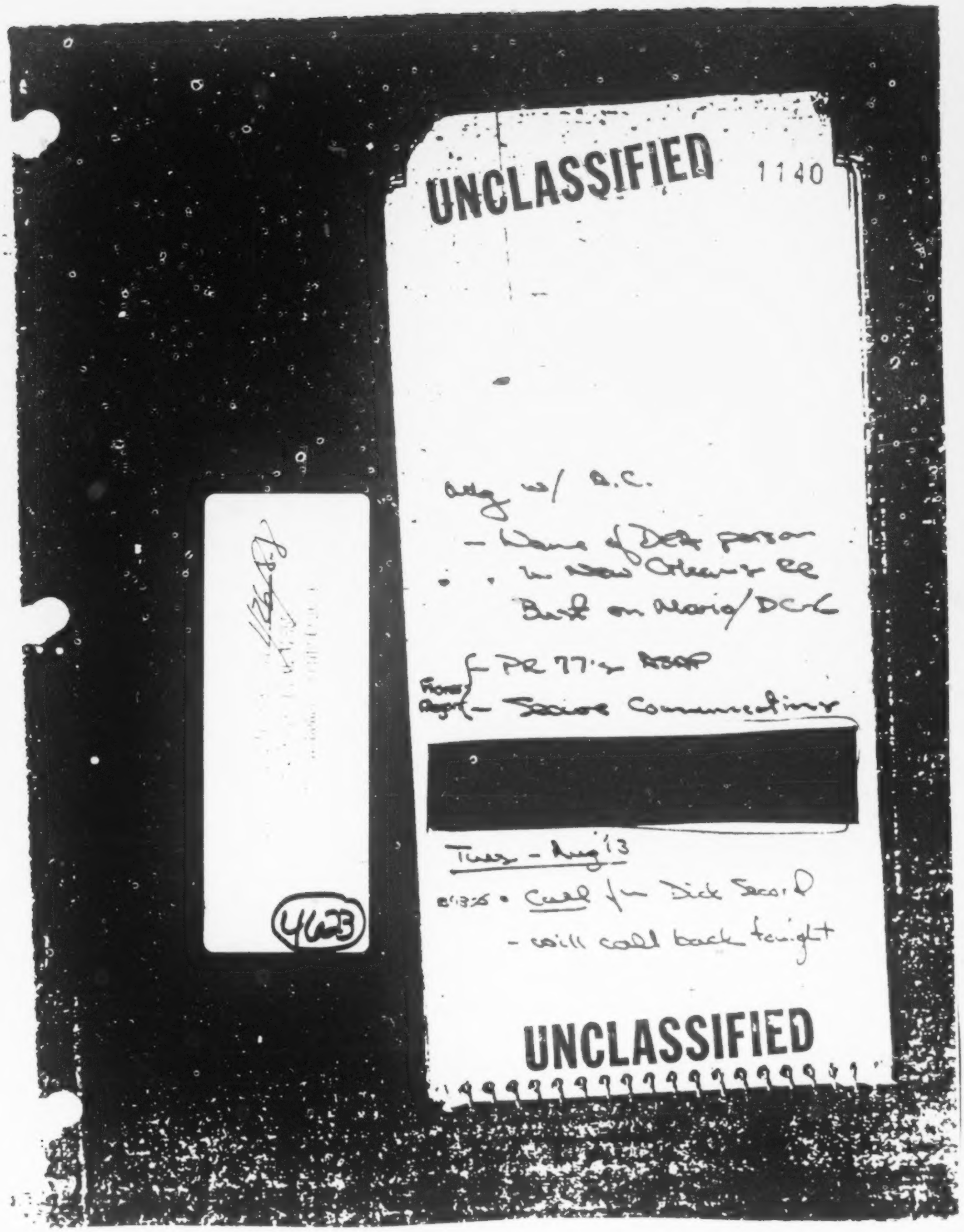
Tues - Aug 13

0430 - Call fm Dick Secord
- will call back tonight

UNCLASSIFIED

1/26/87

40022



1/26-87

4623

UNCLASSIFIED 1140

Mtg w/ D.C.

- Name of DEA person
  in New Orleans re
  Bust on Noriega/DCL

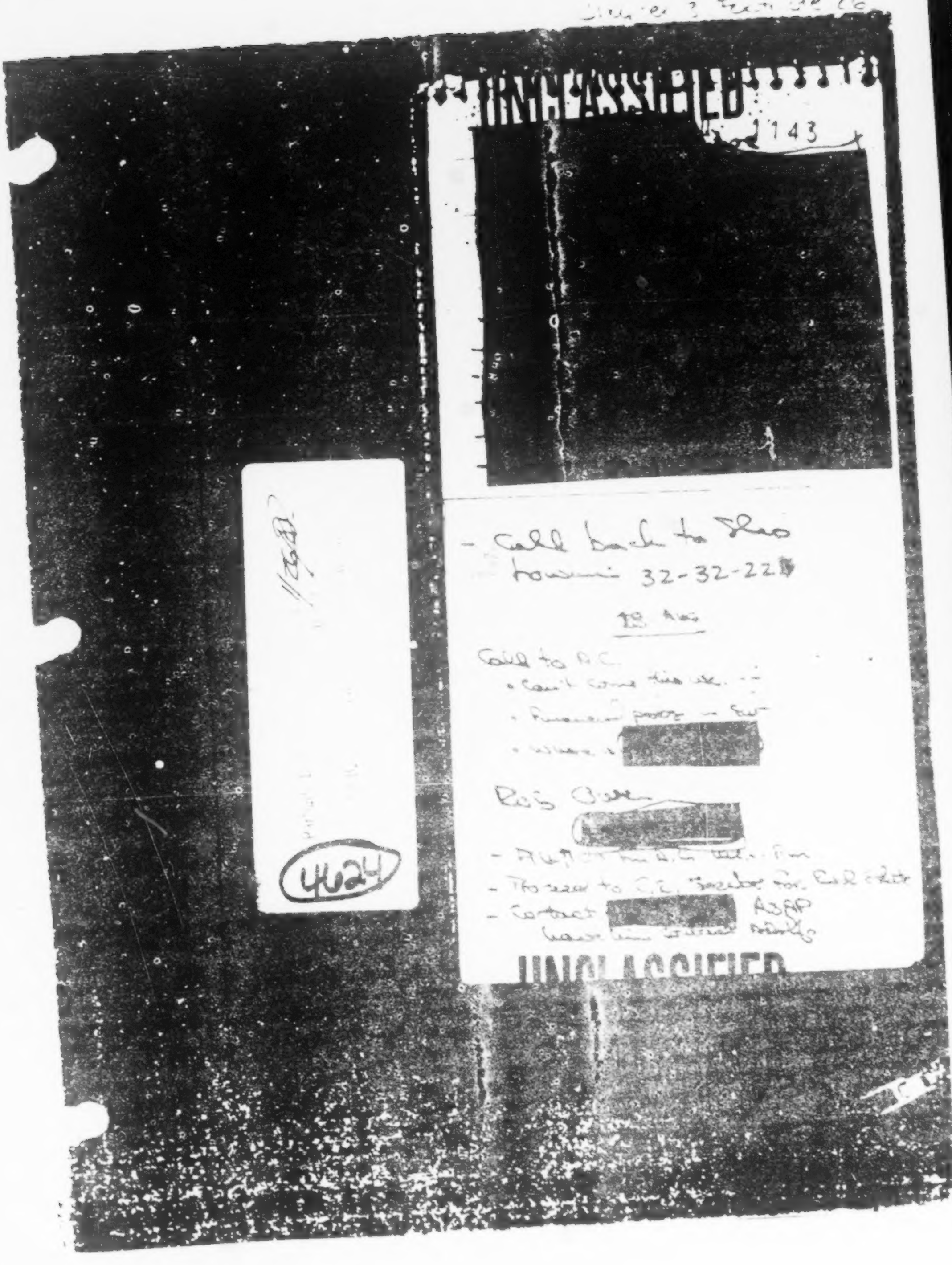
Flores / Regt
- PR 77's ASAP
- Secure Communications

[redacted]

Tues - Aug 13

8:35 • Call fm Dick Secord
- will call back tonight

UNCLASSIFIED



[illegible] 3 [illegible] 26

UNCLASSIFIED

1143

- Call back to Shao
  Hawaii 32-32-22[illegible]

18 Aug

Call to R.C.
- Can't come this wk. —
- Financial posture — but
- Where is [redacted]

Re: Gates
[redacted]

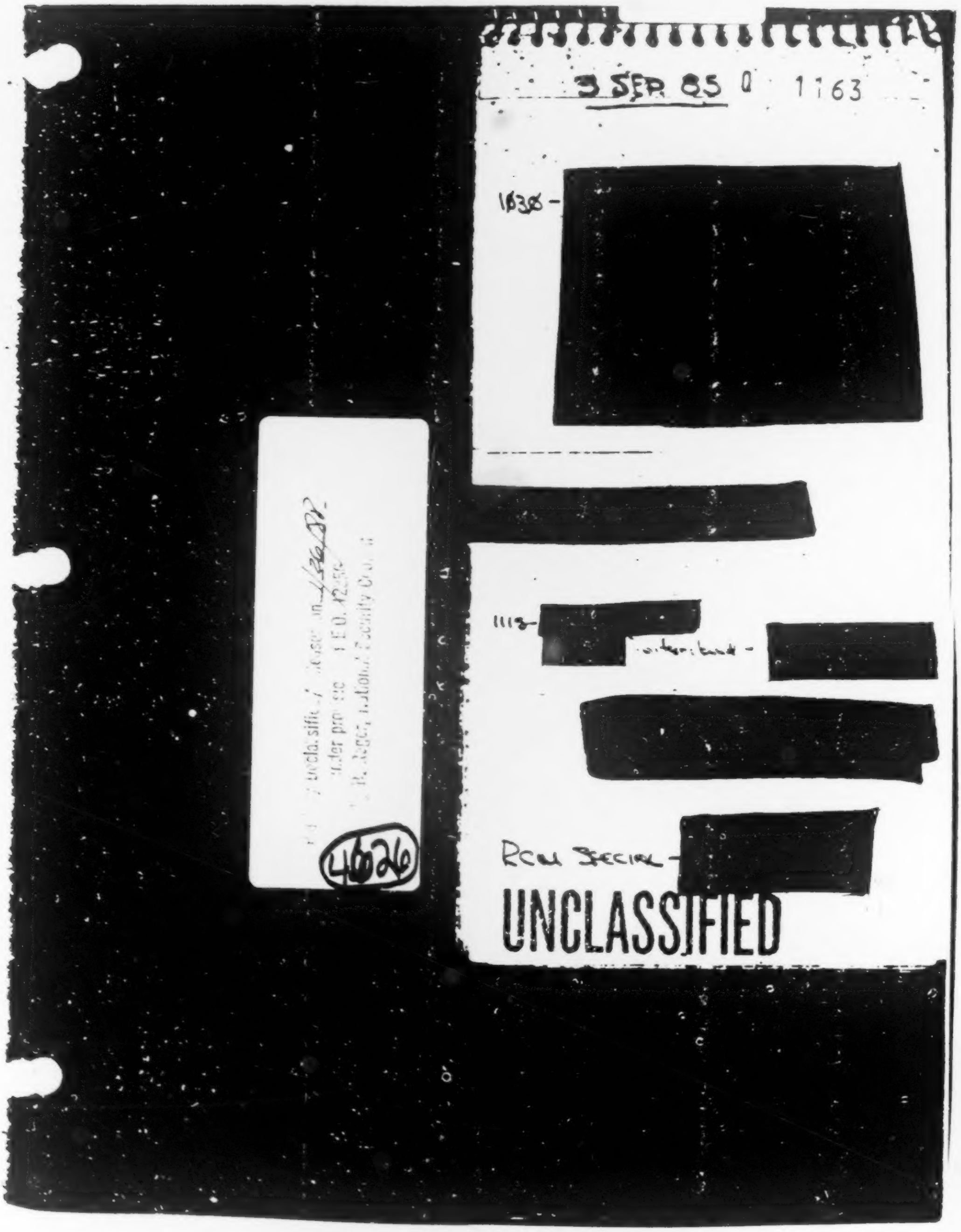
- [illegible] on the A.C. [illegible]
- The team to C.C. [illegible] for [illegible]
- Contact [redacted] ASAP
  [illegible]

UNCLASSIFIED

1/26/87?

4624

UNCLASSIFIED 3-28 3, Footnote 28



3 SEP 85 0 1163

1838 – [redacted]

[redacted]

1118 – [redacted] [illegible] – [redacted]

[redacted]

RCM SPECIAL – [redacted]

UNCLASSIFIED

Partially Declassified/Released on 1/26/88
under provisions of E.O. 12356
by B. Reger, National Security Council

4026

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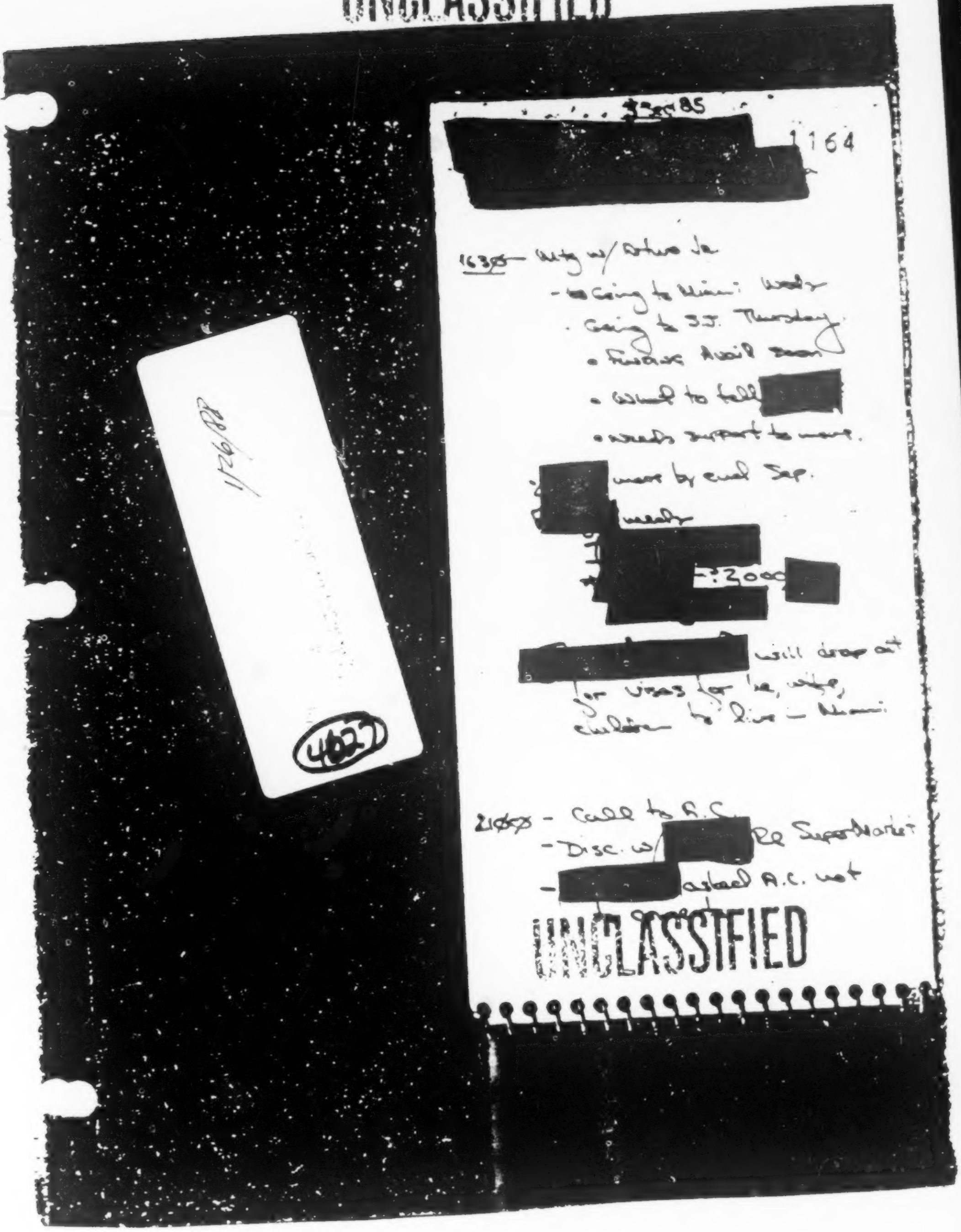


1/26/88

4027

3Sep85

[redacted] 1164

1630 – Mtg w/ Arturo Jr.

- Going to Miami Wedn
- Going to S.J. Thursday
- • Finances Avail soon
- • What to tell [redacted]
- • needs support to move.

[redacted] move by end Sep.

[redacted] needs

[redacted] -?2000 [redacted]

[redacted] will drop at for visas for he, wife, children to live – Miami

2100 – Call to A.C.

- Disc. w/ [redacted] Re SuperMarket
- [redacted] asked A.C. not

UNCLASSIFIED

9

3 Jan 85 0 ~~1165~~

[redacted]

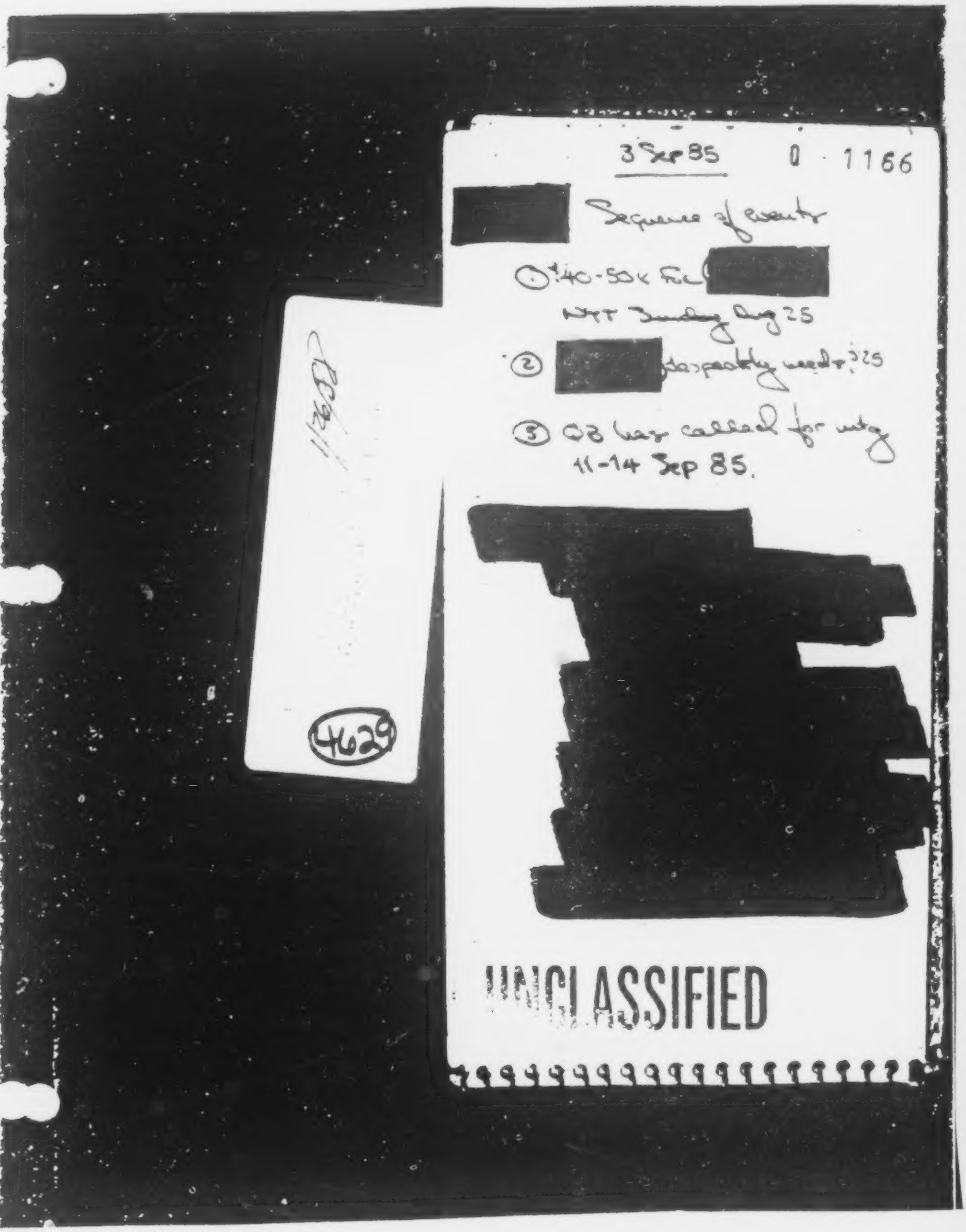
[redacted]

1940 – Call from [redacted]
- Amb. called Joseph Hamilton's office in San Jose.
- Plans to be back at
- S

[redacted] has not arrived
Planning a working trip to [illegible]

(4628)

UNCLASSIFIED



11/26/85

4629

3 Sep 85 0 · 1166

[redacted] Sequence of events

① $40-50K for [redacted]
NYT Sunday Aug 25

② [redacted] desperately needs $25

③ OB has called for mtg
11-14 Sep 85.

[redacted]

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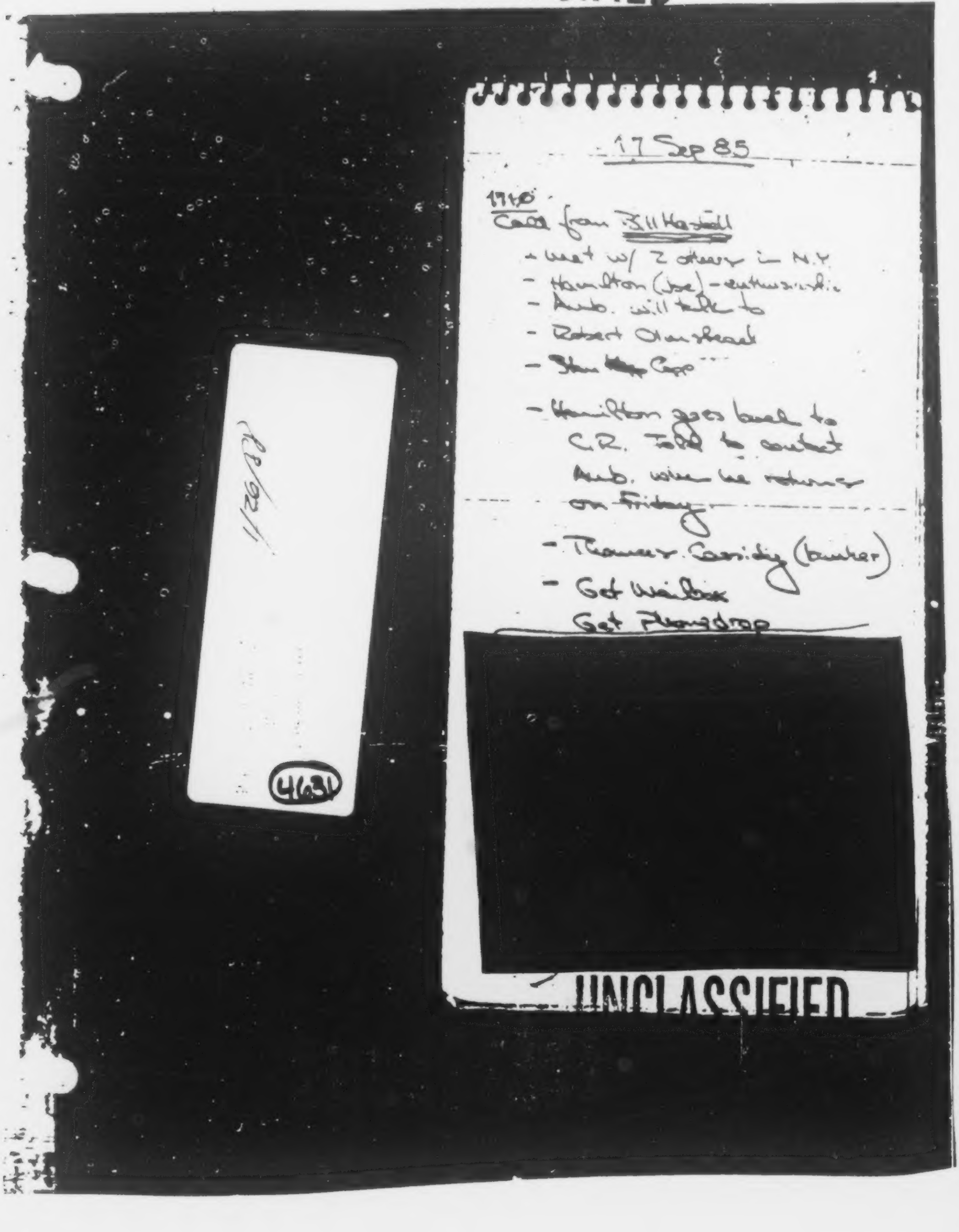
Chapter 3 Fn 28
Pages Q1200 thru Q1206

Non Relevant

4630

UNCLASSIFIED



1/26/88

4631

17 Sep 85

1740

Call from Bill Haskell

- Met w/ 2 others in N.Y
- Hamilton (Joe) - enthusiastic
- Amb. will talk to
- Robert Olmstead
- ~~Stan [illegible]~~ Capp
- Hamilton goes back to C.R. Told to contact Amb. when he returns on Friday
- Thomas Cassidy (banker)
- Get Mailbox
  Get Phone drop

[redacted]

UNCLASSIFIED

PAGES 1208 AND 1209

Non Relevant

UNCLASSIFIED

Chapter 3 # 28
H 6345

UNCLASSIFIED

MAIN LEDGER DOCUMENTATION ANALYSIS

09/24/87

SUPPORTING DOCUMENTATION QUALITY

***NOTE SEE LAST PAGE OF ANALYSIS FOR DESCRIPTION OF QUALITY CATEGORIES 1 THROUGH 4

CASE	ACCOUNT	DATE	TYPE	TRANSACTION	DEBIT	3RD PARTY (4) DOCUMENTATION /VERIFICATION	(3) DEPOSITION	(2) DEDUCTION	UNSUPPORTED (1)	COMMENTS
CONTRA	CSF INVESTMENT	27-Dec-85	AIR OPS	EAST INC	100,500	100,500 H [illegible]				PER RVS TESTIMONY AND 3RD PARTY DOCUMENTATION, PAYMENTS COVERED AIRLIFT AND AIRFIELD OPERATING COSTS RELATED TO CONTRA AIRLIFTS. THE 3RD PARTY DOCUMENTATION INCLUDES EAST INC. BANK STATEMENTS AND SUPPORTING DEBIT/CREDIT ADVICES
CONTRA	LAKE RESOURCES	14-Feb-86	AIR OPS	EAST INC	10,000	10,000				
CONTRA	CSF INVESTMENT	20-Feb-86	AIR OPS	EAST INC	20,000	20,000 H [illegible]				
CONTRA	CSF INVESTMENT	27-Feb-86	AIR OPS	EAST INC	92,440	92,440 H 2487, H [illegible]				
CONTRA	GULF MARKETING	14-Apr-86	AIR OPS	EAST INC	30,000	30,000 H [illegible]				
CONTRA	UDALL	17-Apr-86	AIR OPS	EAST INC	100,357	100,357 H [illegible]				
CONTRA	UDALL	20-May-86	AIR OPS	EAST INC	84,894	84,894 H [illegible]				
CONTRA	HYDE PARK SQUARE	07-Jul-86	AIR OPS	EAST INC	61,304	61,304 H [illegible]				
CONTRA	ALBON VALUES	24-Jul-86	AIR OPS	EAST INC	87,060	87,060 H [illegible]				
CONTRA	UDALL	22-Aug-86	AIR OPS	EAST INC	56,000	56,000 H [illegible]				
CONTRA	LAKE RESOURCES	25-Sep-86	AIR OPS	EAST INC	14,449	14,449 H [illegible]				
					657,004	657,004	0	0	0	
CONTRA	LAKE RESOURCES	10-Dec-85	AIR OPS	MONTERO, J.	2,540		2,540 H [illegible]			PER AH & RVS TESTIMONY, PAYMENTS WERE FOR THE CONSTRUCTION OF AN AIRFIELD IN "PRIME CONTRACTOR" FOR THE CONSTRUCTION OF THE AIRFIELD. ADDITIONALLY, CERTAIN EXPENDITURES ARE SUPPORTED BY CREDIT SUISSE WIRE TRANSFERS AND CSF REPUBLIC NATIONAL BANK CANCELLED CHECKS NAMING MONTERO AS RECIPIENT.
CONTRA	LAKE RESOURCES	17-Feb-86	AIR OPS	MONTERO, J	10,417		10,417 H [illegible]			
CONTRA	CSF INVESTMENT	04-Mar-86	AIR OPS	MONTERO, J	21,000		21,000 H [illegible]			
CONTRA	GULF MARKETING	05-Mar-86	AIR OPS	MONTERO, J.	30,000		30,000 H 2.29			
CONTRA	GULF MARKETING	03-Apr-86	AIR OPS	MONTERO, J. - ADJ FROM QUINTERO H [illegible]	20,000		20,000 H [illegible]			
CONTRA	ALBON VALUES	20-Apr-86	AIR OPS	MONTERO, J - ADJ FROM UDALL H 967/88	20,111		20,111 H [illegible]			
CONTRA	ALBON VALUES	10-Jun-86	AIR OPS	MONTERO, J	40,525		40,525 H [illegible]			
CONTRA	UDALL	30-Jul-86	AIR OPS	MONTERO, J.	16,204		16,204 H 717			
CONTRA	MISC.	30-Jul-86	AIR OPS	MONTERO, J. - ADJUSTMENT 6	7,436		7,436			ADJUSTMENT 6 - ADDITIONAL PAYMENT IDENTIFIED IN BANK ACCOUNT WORK
					192,233	0	192,233	0	0	

Adjustment No 6 is based on actual checks provided to Montero. The difference between ledger and bank record totals amounted to $7.436 The credit is reflected in acct needed to balance amount. H6362 See the following documents.

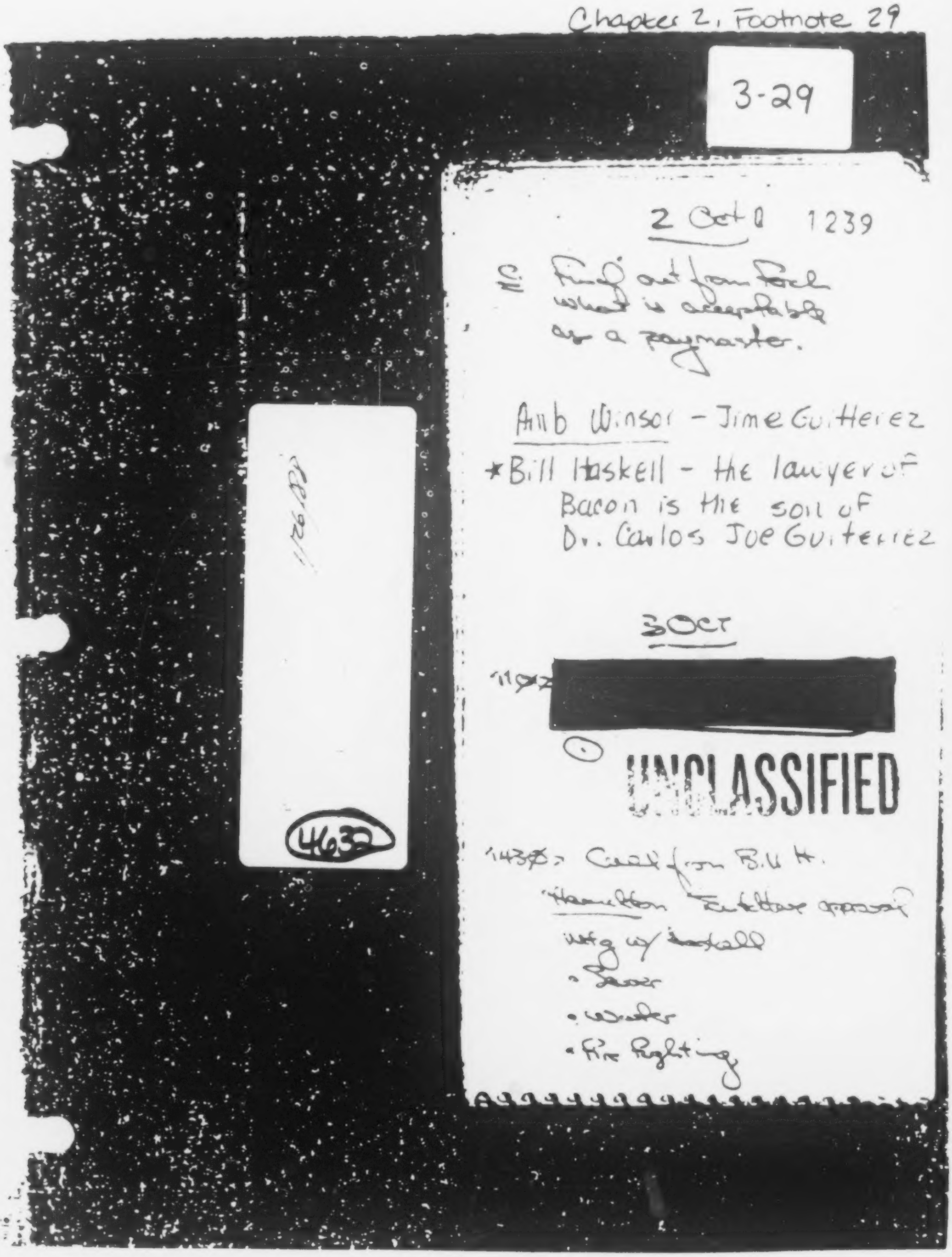
H 548 $10,432.57	H 2350 $10.000
H 2340 $21. 015	H 2351 $42,000
H 2302 $28 107.81	H 779 $16.231.
H 2335 = 28, 157.81	
H 2362 $31 400	

4625

4/30/88

UNCLASSIFIED

Chapter 2, Footnote 29



3-29

11/2/85

4632

2 Oct 0 1239

1) Find out from Ford what is acceptable as a paymaster.

Amb Winsor - Jime Guitierez

★Bill Haskell - the lawyer of Bacon is the son of Dr. Carlos Joe Guiterrez

3 Oct

1102 [redacted]

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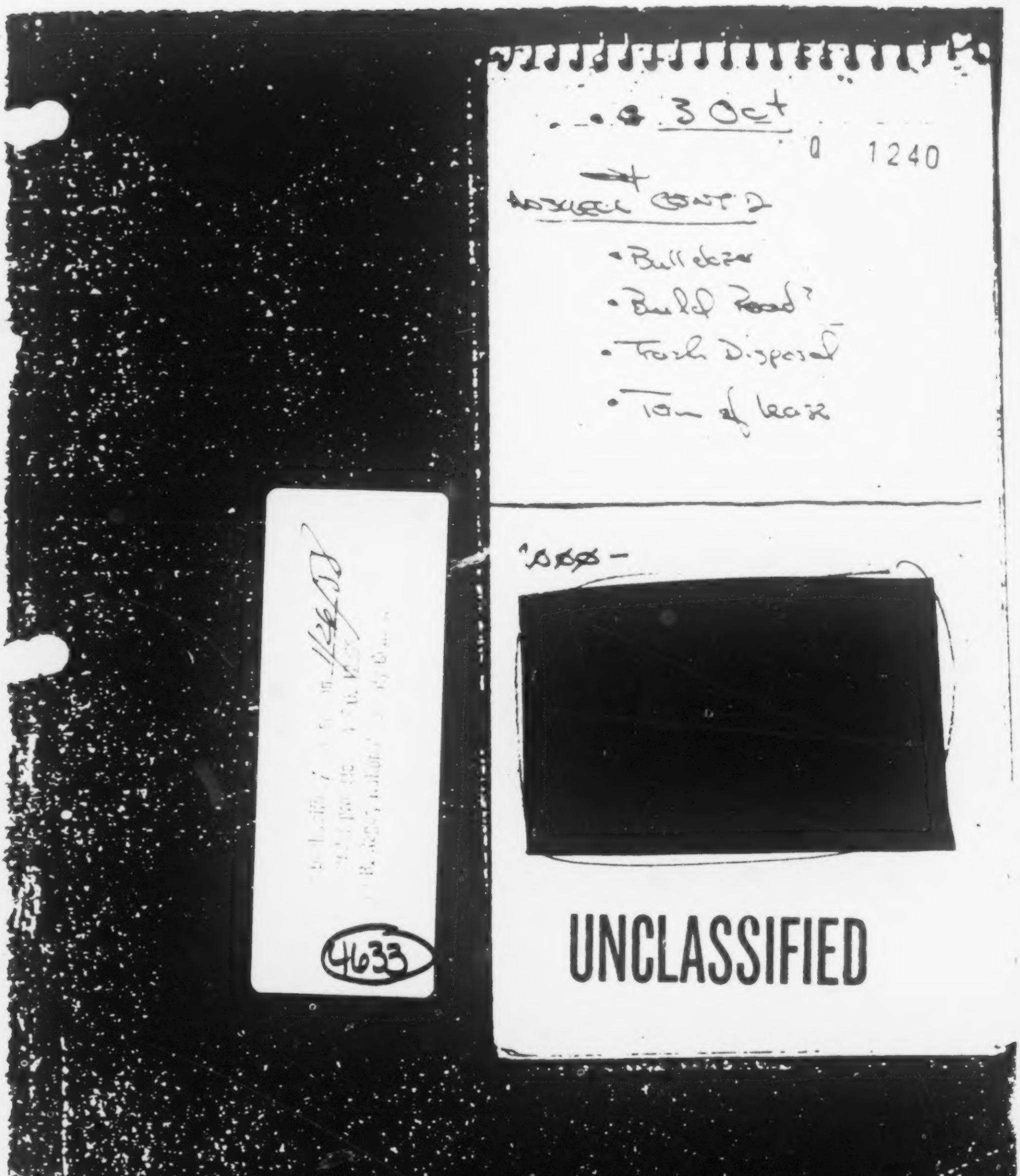
1430: Call from Bill H.
Hamilton Enterprise approval
mtg w/ Haskell
- Sewer
- Water
- Fire fighting



3 Oct

0 1240

[illegible] CONT'D

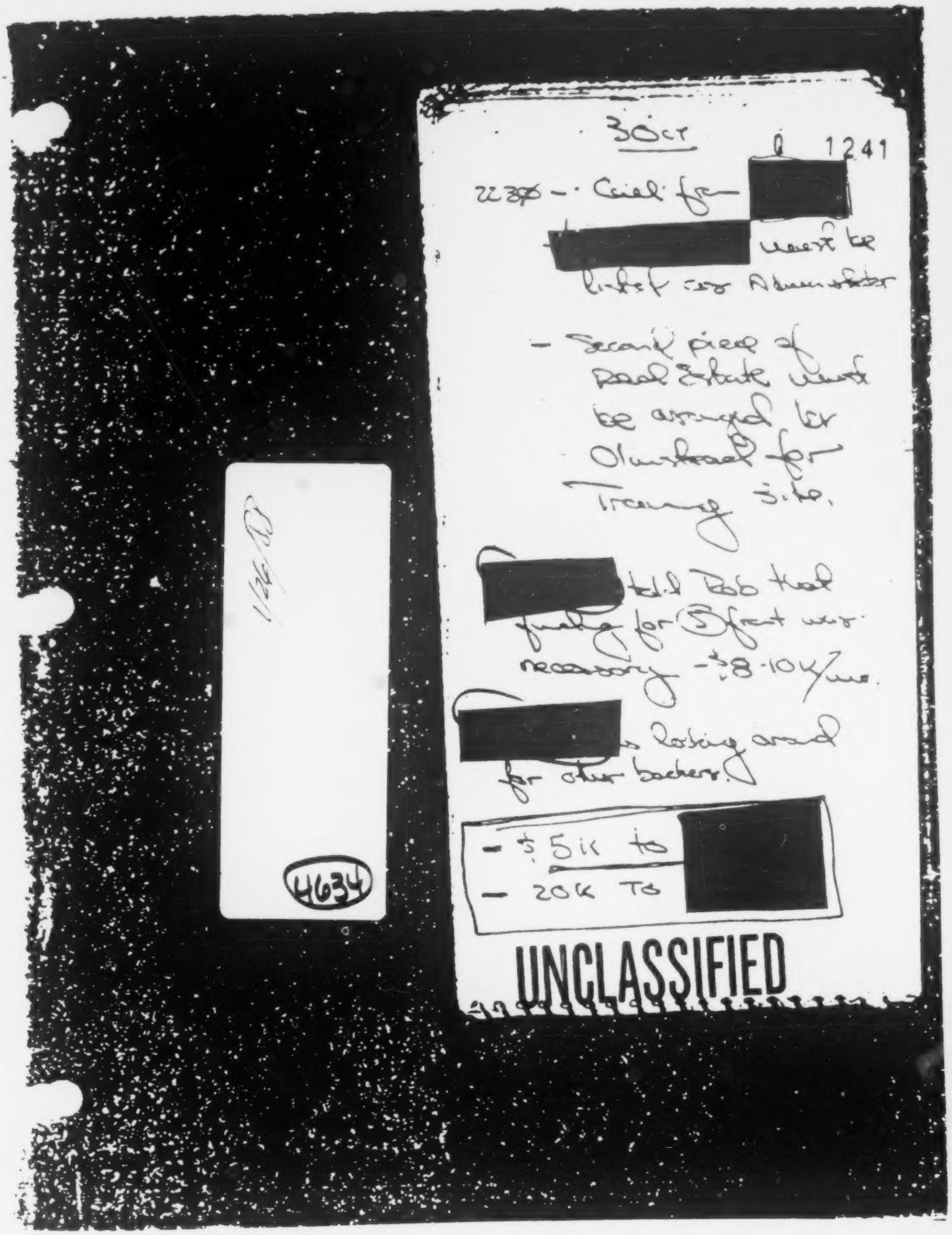
- Bulldozer
- Build Road?
- Trash Disposal
- Term of lease

ADD -

[redacted]

UNCLASSIFIED

4633



1/26/88

4634

3 Oct

Q 1241

2230 - Call from [redacted]

[redacted] must be listed as Administrator

- Second piece of Real Estate must be arranged by Olmstead for Training Site.

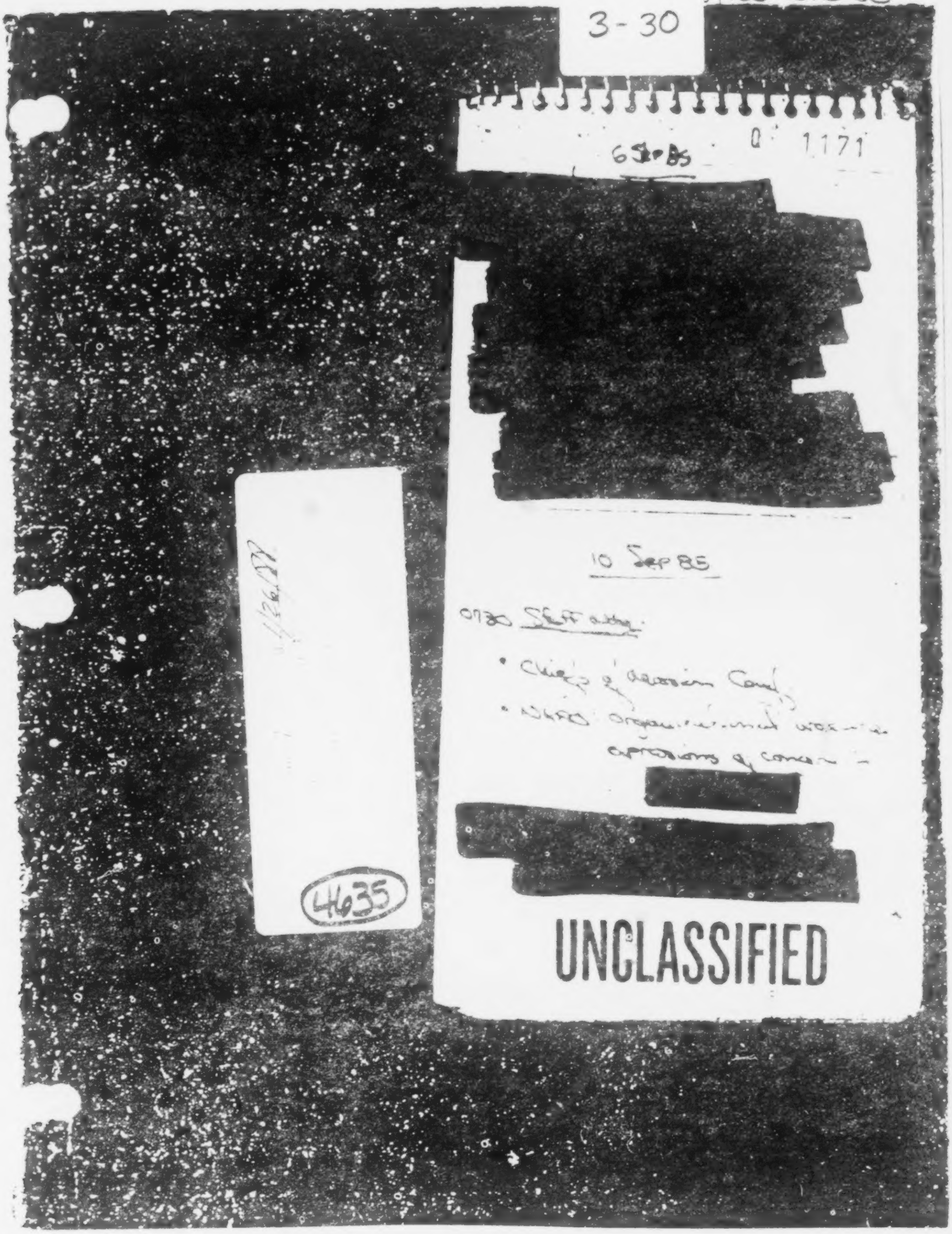
[redacted] told Rob that funding for (S)front was necessary - $8-10K/mo.

[redacted] looking around for other backers.

- $5K to [redacted]
- 20K TO

UNCLASSIFIED

3, Footnote 30



3-30

6 Sep 85

0 1171

[redacted]

10 Sep 85

0730 Staff mtg.

- Chiefs of Mission Conf.
- NHAO organizational [illegible] expressions of concern –

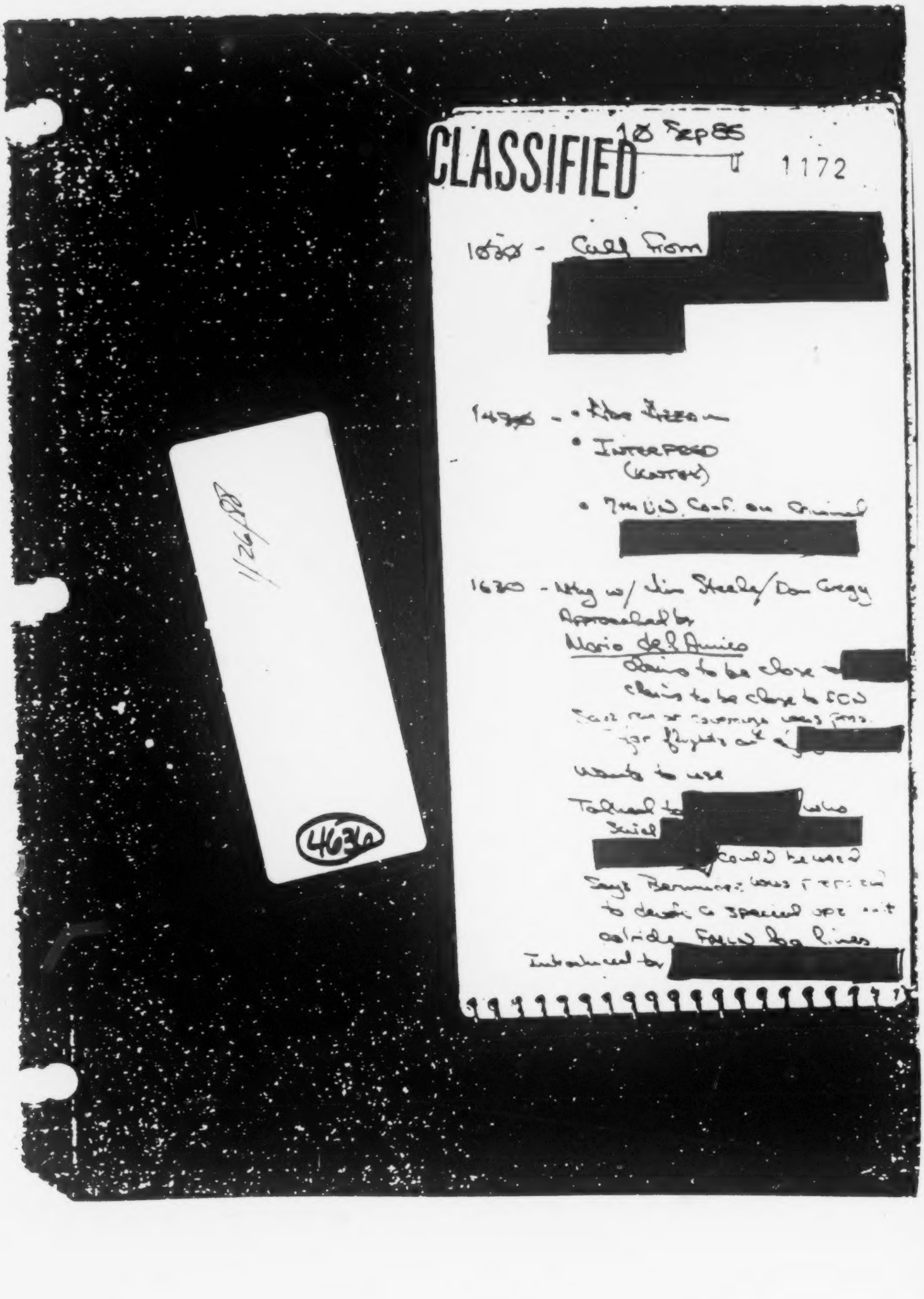
[redacted]

[redacted]

UNCLASSIFIED

[illegible]/26/87

4635



CLASSIFIED

10 Sep 85

U 1172

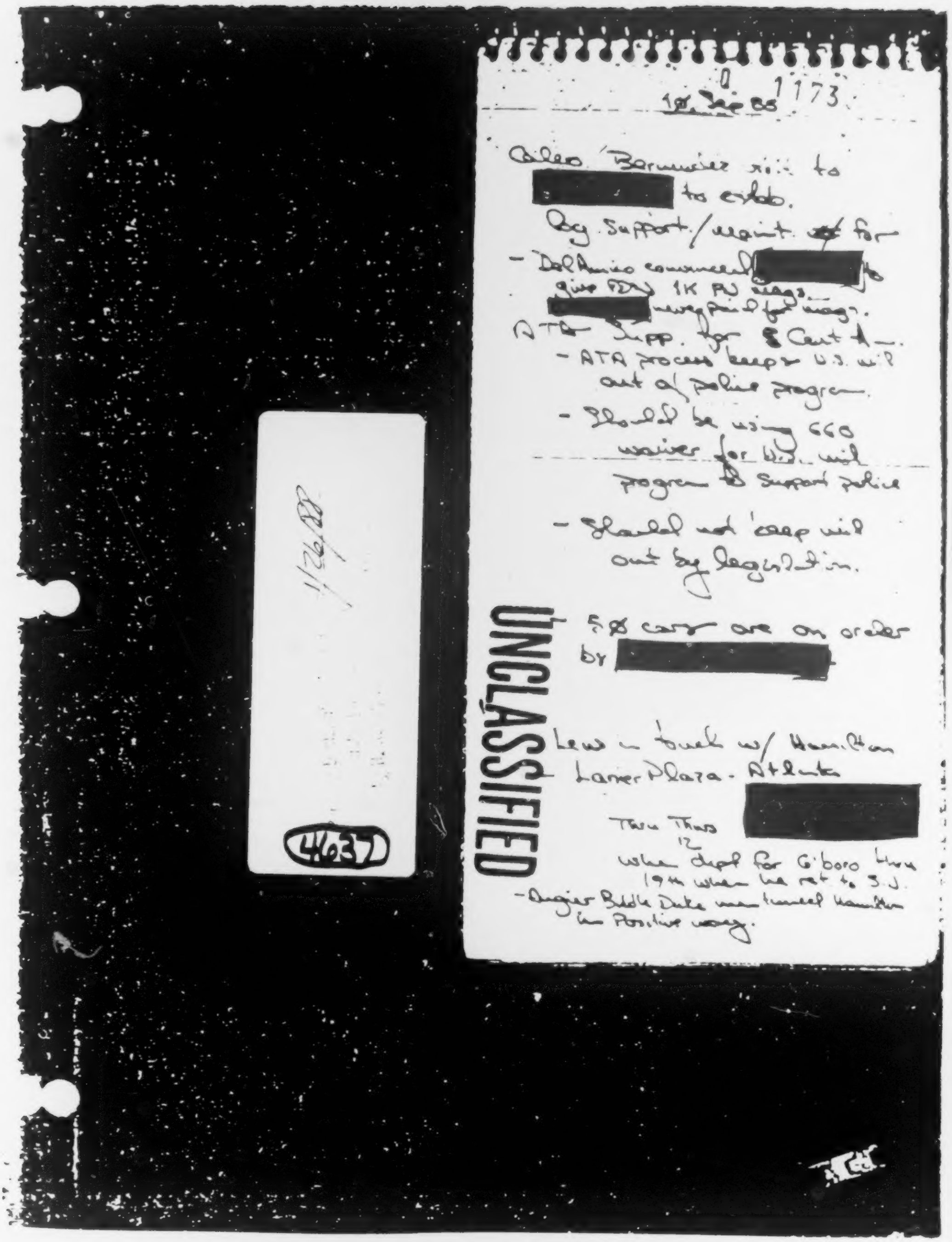
1000 - Call from [redacted]

1400 - • Abe Rizzo -
• INTERPOL
(KATTKE)
• 7th U.N. Conf. on Criminal
[redacted]

1630 - Mtg w/ Jim Steele/Don Gregg
Approached by
Mario del Amico
Claims to be close w [redacted]
claims to be close to FDN
Said one of companies was prep.
for flights out of [redacted]
wants to use
Talked to [redacted] who
said [redacted]
[redacted] could be used
Says Bermudez wants freedom
to devel. a special ops unit
outside FDN for lines
Introduced by [redacted]

1/26/88

4636



0 1173

10 Sep 85

Calero/Bermudez visit to [redacted] to estab. log. support/maint. ~~of~~ for

- DelAmico convinced [redacted] to give FDN 1K PU mags. [redacted] never paid for mags.

ATA Supp. for S Cent Am.

- ATA process keeps U.S. mil out of police program.
- Should be using 660 waiver for U.S. mil program to support police
- Should not keep mil out by legislation.

UNCLASSIFIED

- 5Ø carg are on order by [redacted]

Lew in touch w/ Hamilton

Lanier Plaza - Atlanta

[redacted]

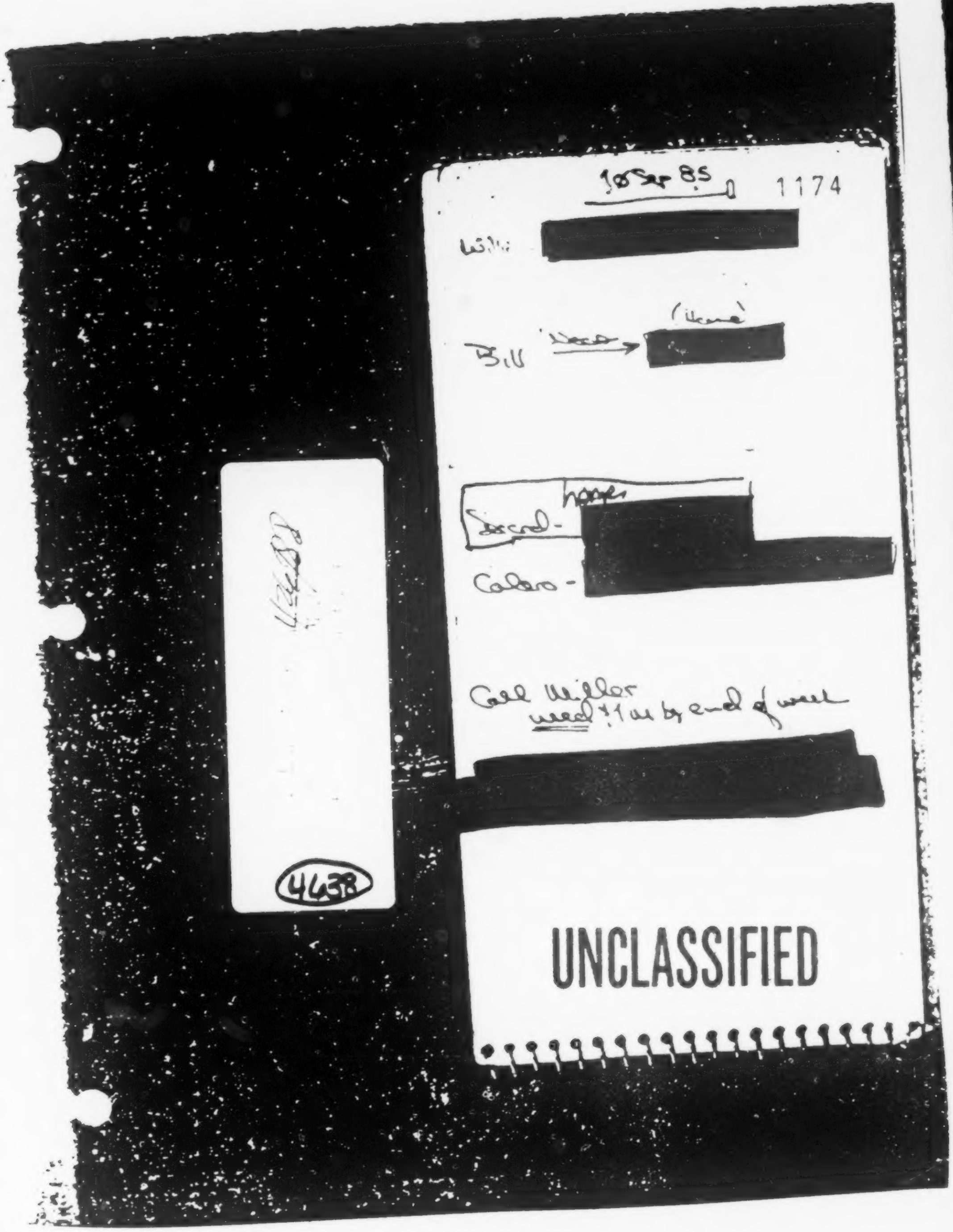
Thru Thurs 12

who dept for G'boro thru 19th when he ret to S.J.

- Angier Biddle Duke mentioned Hamilton in positive way.

1/26/88

4637



10 Sep 85 1174

Willi: [redacted]

(Home)
Bill Work → [redacted]

hopes
Second - [redacted]
Calero -

Call Miller
need $1m by end of week

[redacted]

UNCLASSIFIED

4638

3-32

UNCLASSIFIED

Chapter 3, f.n. 32
PAGES Q 1188 thru Q 1192.

Non Relevant

4639

UNCLASSIFIED

1/26/87

(4640)

16 Sep 85 11[illegible]3

call from Jim Steele

★ Del Amico – ?

What about Felix – here for A/C maint

[redacted]

Ed Warner – VOA Re

[redacted]

Walt Raymond

Bill Walker

CLASSIFIED

[redacted]

UNCLASSIFIED

PAGES 1194 to 1199

Non Relevant

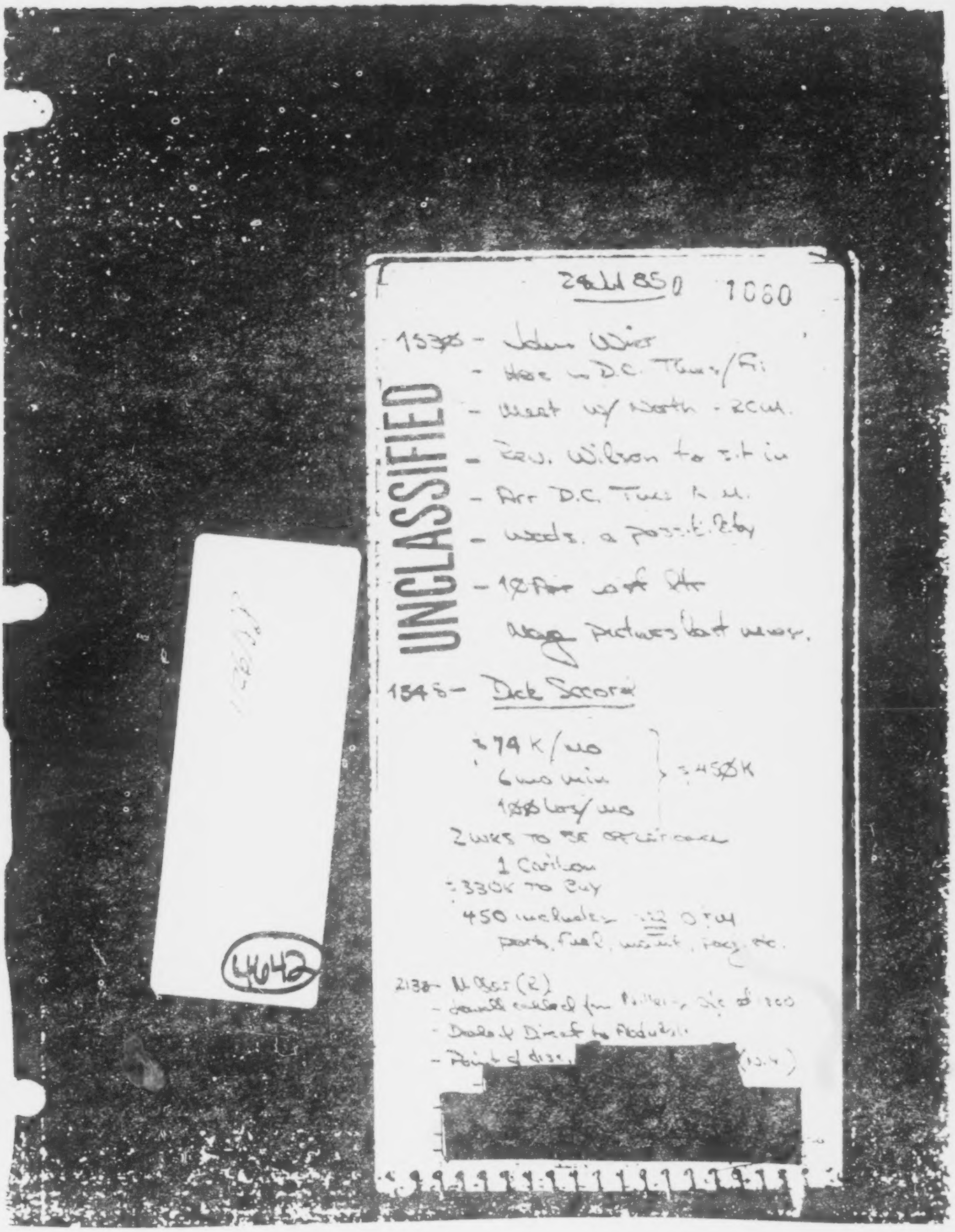
UNCLASSIFIED

Chapter 3, fn 35
Pages Q1073 thru Q1079

Non Relevant

4641

UNCLASSIFIED



UNCLASSIFIED

24 Jul 85 1060

1530 - John Weir
- Here in D.C. Thurs/Fri
- Meet w/ North - 2cm.
- Rev. Wilson to sit in
- Arr D.C. Tues A.M.
- Weds. a possibility
- 10 Arr at Ht
Reag pictures but never.

1548 - Dick Secord

$74K/mo
6 mo min } $450K
100 hrs/mo

2 WKS TO BE OPERATIONAL
1 Caribou
$330K TO BUY
450 includes all O+M
parts, fuel, maint, fees, etc.

2138 - N [illegible] (2)
- [illegible] called from [illegible] of 1200
- [illegible] & Direct to [illegible]
- Point of disc. [redacted] (1.4)

4042

UNCLASSIFIED

Page 1081

Non Relevant

UNCLASSIFIED

Chapter 3, Footnote 37

UNCLASSIFIED

3-37

Pages 0 - 1308 and 0-1309

Non Relevant

4643

UNCLASSIFIED

1310

UNCLASSIFIED

15 Nov

[redacted]

[redacted] $1.5K/mo. for

- 5K single via [redacted]

[redacted] $10K/mo
(5K for [redacted]
($5K for

[redacted]

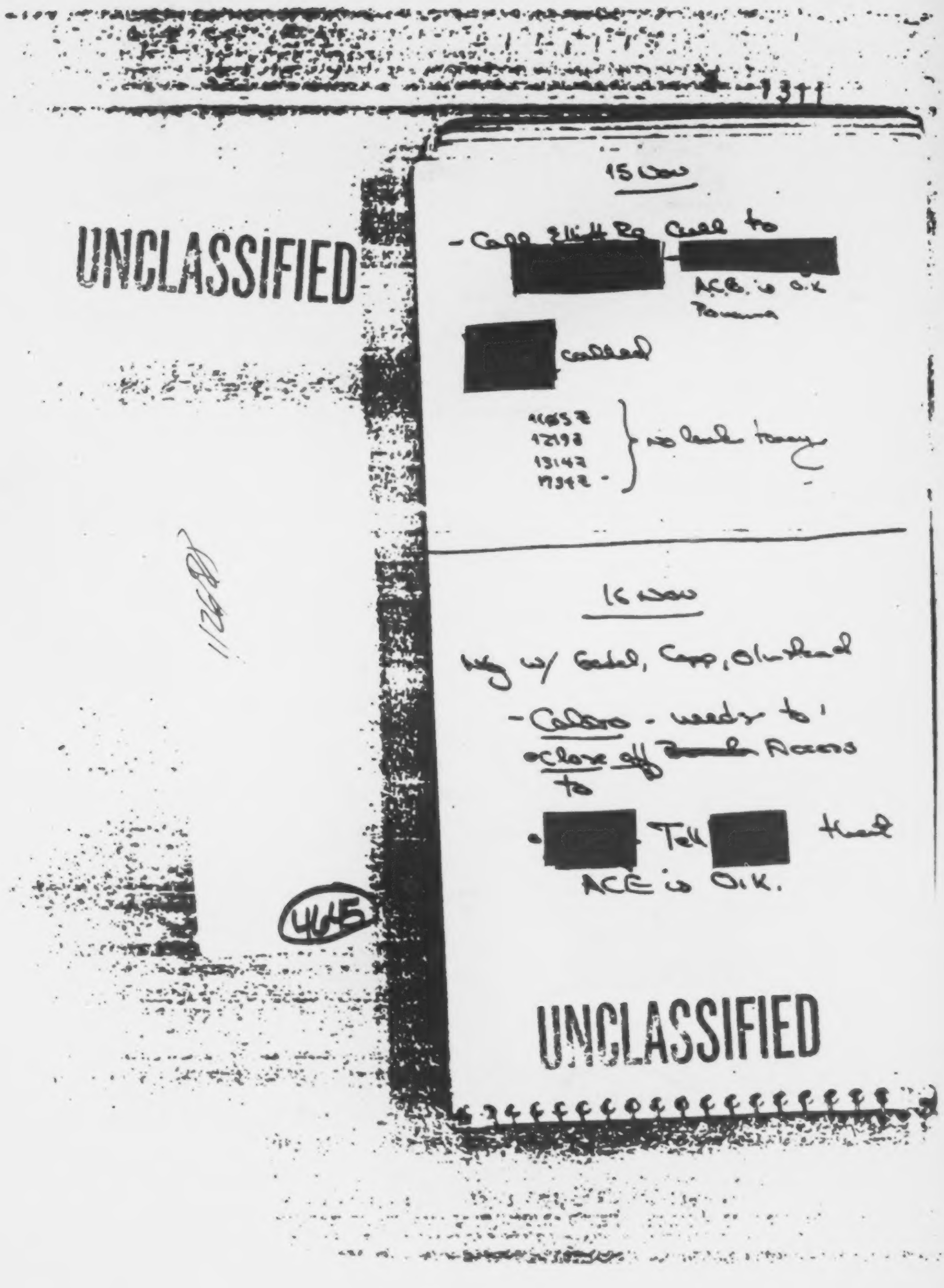
UNCLASSIFIED

① Call [redacted]
② Call Bacon
③ 5K for [redacted]
④ Have [redacted] [illegible] to [redacted]
⑤ Work agreement w/ [redacted] re: $10K
for [redacted] - Mario Calero
⑥

DC/S logo [redacted]
Amalgamated Commercial Enterprises

1/26/88

4644



1311

UNCLASSIFIED

15 Nov

- Copp Elliott Re: Call to [redacted] – [redacted]
ACE is O.K.
Panama

[redacted] called

1105Z
1219Z
1314Z
1734Z – } no luck today

16 Nov

Mtg w/ Gadd, Copp, Olmstead

- Calero – needs to:
• close off ~~[illegible]~~ Access
to
• [redacted] – Tell [redacted] that
ACE is O.K.

1268

4645

UNCLASSIFIED

Chapter 3
Footnote 50

Ollie North 9/24/85 Ø Contacts w NSC ACH

War costs $2 mil / mo. S 4344

[redacted]

North thinks that, $1.25 mil can come from NHAO.

~~SECRET~~

UNCLASSIFIED

Need for new hospital to handle medevacs.

1. Site must be agreed betw. UNO [redacted]
Not too close to border. 3-50

Eventually same arrangement must be set up on [redacted] [redacted] border.

[redacted]

North thinks he & I should make quick trip to [redacted] after which I would send my deputy (Cres).

North wants me to use Rob Owen – he is "can do" & knows the scene

McFarland concerned about moving fast (Jeanne Kirkpatrick concern).

[redacted]

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[redacted] UNCLASSIFIED Chag [redacted]

NATIONAL SECURITY COUNCIL
WASHINGTON. D.C. 20506

ch 3 + 56

December 2, 1985

N 49169

SECRET

ACTION

3-56

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH

SUBJECT: Trip to Panama and Honduras

Based on your guidance, arrangements have been made for you to meet with [redacted] (Dec 5). The itinerary and substance of your meetings have been discussed with State (DASS Bill Walker) and SOUTHCOM (General Galvin).

Attached at Tab I is a NSC Staff Travel Authorization Sheet for a proposed trip to Panama and Honduras on December 4-5, 1985.

Participants:

ADM John M. Poindexter	LTCOL Oliver North
Mr. Richard Armitage	Mr. Raymond Burghardt
Mr. William Walker	
[redacted]	

General Itinerary (details at Tabs III and IV):

Depart	2:30 p.m., Wed, Dec 4	Andrews AFB
Arrive	7:35 p.m.	Howard AFB, Panama (Remain Overnight)
Depart	9:00 a.m., Thurs, Dec 5	Howard AFB, Panama
Arrive	9:50 a.m.	Palmerola AB, Honduras
Depart	2:00 p.m., Thurs, Dec 5	Palmerola AB, Honduras
Arrive	7:10 p.m.	Andrews AFB

NSC will defray expenses for North and Burghardt's travel.

Attached at Tab II is a memo from you to Don Regan requesting a Special Air Mission (SAM) support for this trip.

Tabs III and IV provide an overview of the situation and the objectives we hope to achieve in Panama and Honduras, respectively. Detailed talking points for your use during the trip will be provided separately.

State (Walker), Defense (Armitage), [redacted], and Ray not available Burghardt concur.

11/24/88

SECRET
Declassify: OADR

UNCLASSIFIED

4647

RECOMMENDATIONS

1. That you authorize Rick Benner to cut the appropriate travel orders for North and Burghardt.

Approve _____ Disapprove _____

2. That you initial and forward the memo at Tab II to Don Regan requesting SAM support for the trip.

Approve _____ Disapprove _____

3. That you review Tabs III and IV prior to the trip.

Approve _____ Disapprove _____

cc: Rick Benner (w/o Tabs II, III, and IV)

Attachments
- Tab I - NSC Staff Travel Authorization Sheet
- Tab II - Poindexter Memo to Regan
- Tab III - Current Situation and our Objectives for Panama
- Tab IV - Current Situation and our Objectives for Honduras

FILE: NOTP [redacted] WHITE HOUSE COMMUNICATIONS AGENCY

PAGE 010

Chapter 3, Footnote 57

UNCLASSIFIED

PRIVATE BLANK CHECK
MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA 12/05/85 22:12:05
To: NSJMP --CPUA

12100

*** Reply to note of 08/31/85 13:26

-- SECRET --

NOTE FROM: OLIVER NORTH
Subject: PRIVATE BLANK CHECK
Re yr trip to Central America

IAW yr instructions, Elliot Abrams was approached re his views on yr travelling thru CENTAM next week. Elliot has responded that he believes such a trip to both necessary and urgent. The trip wd be "billed" as a quick tour through the region to confer w/ top ranking U.S. officials to reinforce the continuity of U.S. policy in the region. In each location you wd meet w/ the U.S. Ambassador and be accompanied by Gen Jack Galvin, the senior U.S. Military Representative. This approach will [redacted] plausible cover for delivering the messages we need sent to [redacted] both of whom will want to congratulate you on your new post. Since you are making a "whirlwind" trip to the region to see U.S. officials, not host governments (we do need to commit to such a visit at some date in the future -- after the installation of the newly elected governments in Costa Rica, Honduras, and Guatemala in January) it will make sense that you do not see heads of state or political leaders on this visit. After the trip we wd background that the purpose of your first "secret" trip was to meet privately w/ U.S. Officials re the steadfastness of the President's policy, that even though our approach was very closely identified w/ RCM, yr ascendancy connotes no change and that the region was so important that you went there first and will return at a later date to meet w/ the new democratically elected leaders. Elliott shares the belief that this will have a salutary effect on our friends in the region, the Congress and our adversaries for this to "come out" after you return. Privately, it will help to ensure that those engaged in the process back here recognize your stature as the new National Security Advisor. In short it helps all around.

Because your time is so very valuable, a trip has been devised so that you will be absent fm the U.S. for only one day and yet be able to stop in each country. Following general itinerary is proposed:

TIME (Local)	LOCATION	MTG WITH
1900	Depart Wash. enroute Panama	
2330	Arrive Howard AFB Panama (RON qtrs 1 U.S. CINCSO, Gen Galvin)	
0730 (next day)	Breakfast, Qtrs 1	
0800	Depart for VIP lounge, HowardAFB	
0830-0900	Mtg in VIP lounge [redacted]	Briggs, Galvin, Abrams
0900	Wheels-up for San Jose, Costa Rica Save one hr enroute - change of time zone	
0900-1030	Mtg at Cariari hotel w/ Tambs & nextTambs, Galvin, plus [redacted] remainder of U.S. Team	
1030	Wheels-up for Ilopango A.B. El Salvador	
1130-1300	Mtg at Ilopango w/ Ed Corr, MilGp Chief and "hand shake w/ [redacted] [redacted] Inspect air assets. Ops Brief re current operations. Disc. C/T program	Corr, Galvin, Steele, Rest of U.S. To

46678

3-57

UNCLASSIFIED

1300Wheels-up enroute Palmerola A.B., Honduras
1400-1530 Mtg at Ilopango w/ John Ferch, CTF Bravo, Ferch, Galvin, Garcia, MilGp Cdr, & 1/2hr "chance" mtg [redacted] Best of U.S. Team
1530 Wheels-up Enroute to Guatemal City
1630-1800 Mtg at La Aurora A.B., Guatemala City w/ Piedra, Galvin, Mejia Amb. [redacted] PolCouns; Meet w/ [redacted] & Best of U.S. to congratulate on elections & thank [illegible]. Galvin returns [redacted] Disc. C/T programs [redacted]
1800 Wheels-up enroute Andrews AFB
2000Arrive Andrews AFB (Gain 1hr enroute - time zone change)

N 12101

From perspective of all concerned, best travel date seems to be to depart

PRIVATE BLANK CHECK 8
MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA 12/05/85 22:03:21
To: NSJMP --CPUA JOHN M. POINDEXTER NSJMP --CPUA JOHN M. POINDEXTER

-- SECRET --

NOTE FROM: OLIVER NORTH
Subject: PRIVATE BLANK CHECK

The DAMNED Machine just ate half the note: text below is reconstruction of remainder of text re yr CENTAM Trip.

From perspective of all concerned, best travel time seems to be to depart on Weds p.m. and return on Thurs p.m. Earlier departure conflicts with Elliott's ability to attend and later schedule would preclude Galvin accompanying. Since you should get to know both well, it would be best to take the Wed Thurs time-frame if at all possible. Your schedule is equally bad for all dates, unless you choose to travel on a Fri Sat schedule. Only disadvantage here may be complications in trying to meet with local officials who tend to disappear on weekends.

If you agree with the general approach indicated above, we will task appropriate planning in a very small circle, along the lines of the plan we sent forward earlier in the week, but expanded to include the new stops. Elliott is enthusiastic about the approach and necessity. [redacted] and I both agree that we can wait that long to get things moving again in Honduras -- but not much longer. Given the calls from [redacted] the reassurance you will provide will be much appreciated by our friends -- and the cause for great concern in Cuba and Managua. Pls advise.
*** Forwarding note from NSOLN --CPUA 12/05/85 22:12 ***
To: NSJMP --CPUA

*** Reply to note of 08/31/85 13:26

-- SECRET --

NOTE FROM: OLIVER NORTH
Subject: PRIVATE BLANK CHECK
Re yr trip to Central America
IAW yr instructions, Elliot Abrams was approached re his views on yr travelling thru CENTAM next week. Elliot has responded that he believes such a trip to both necessary and urgent. The trip wd be "billed" as a quick tour through the region to confer w/ top ranking U.S. officials to

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Chap 3-58 te 58/2 49

~~SECRET~~ UNCLASSIFIED N 31907

CURRENT SITUATION/OBJECTIVES FOR HONDURAS

[redacted]

Thursday, December 5, 1985

0950: Arrive Palmerola Air Base, Honduras (save one hour enroute -- 1 hour and 50 minute flight)

1000 - 1215: Discussions with [redacted] attendees: Poindexter, U.S. team, and Amb Ferch

1215 - 1315: Working lunch at CTF Bravo (U.S. military exercise hdqtrs)

1315 - 1400: Options:

A - [redacted]

B - Country team briefing by AmEmb Tegucigalpa

1400 - 1910: Enroute from Palmerola Air Base to Andrews AFB

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Chapter 3, Footnote 62

3-62

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Pages N10718 to N10728

DENIED IN

TOTAL

4649

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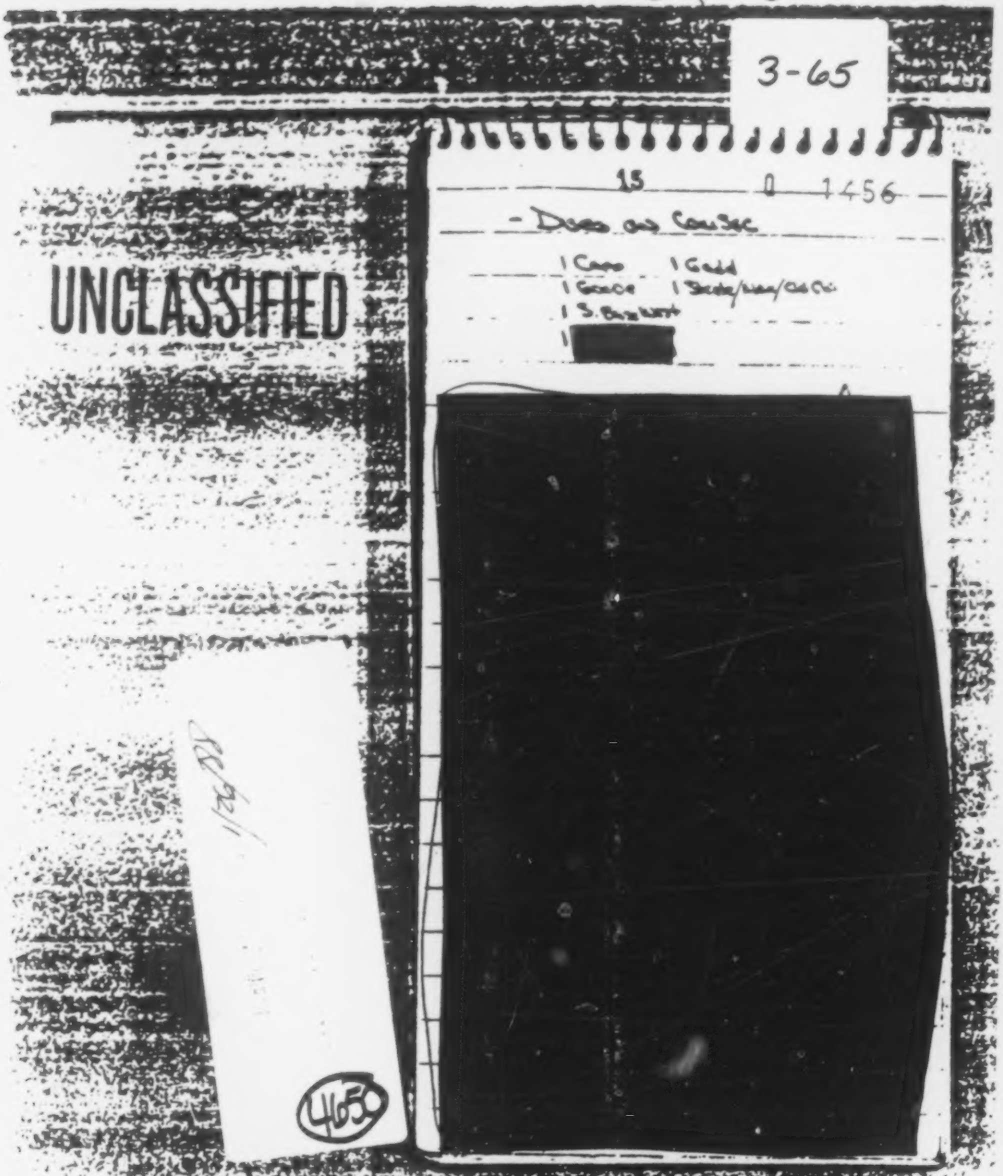
Chapter 3, Footnote 65



3-65

UNCLASSIFIED

15 0 1456

- Docs on CounSec

1 Copo 1 Gold
1 Grace 1 State/Navy/OSD Cr.
1 S. Bartlett
1 [redacted]

[redacted]

1/22/86

4050

UNCLASSIFIED [redacted]

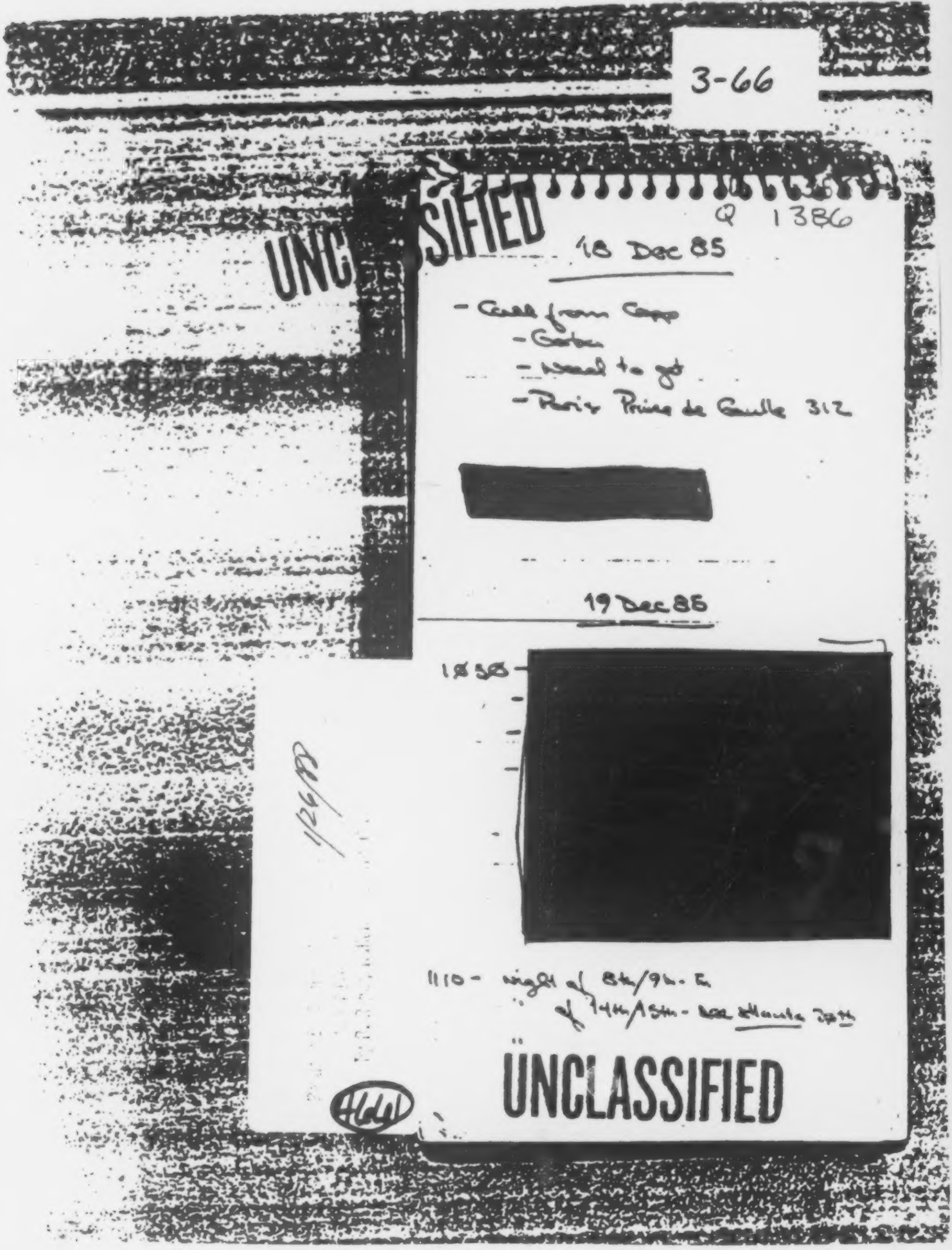
Chapter 3, Footnote 65

Pages 0 1457 and 01458

Non Relevant

UNCLASSIFIED

Chapter 3, Footnote 66



3-66

UNC SIFIED

Q 1386

18 Dec 85

- Call from Capp
  - Gorba
  - Need to get
  - Paris Prince de Gaulle 312

[redacted]

19 Dec 85

1050 – [redacted]

1110 – night of 8th/9th – Fr
of 14th/15th – [illegible] [illegible] 27th

1/26/88

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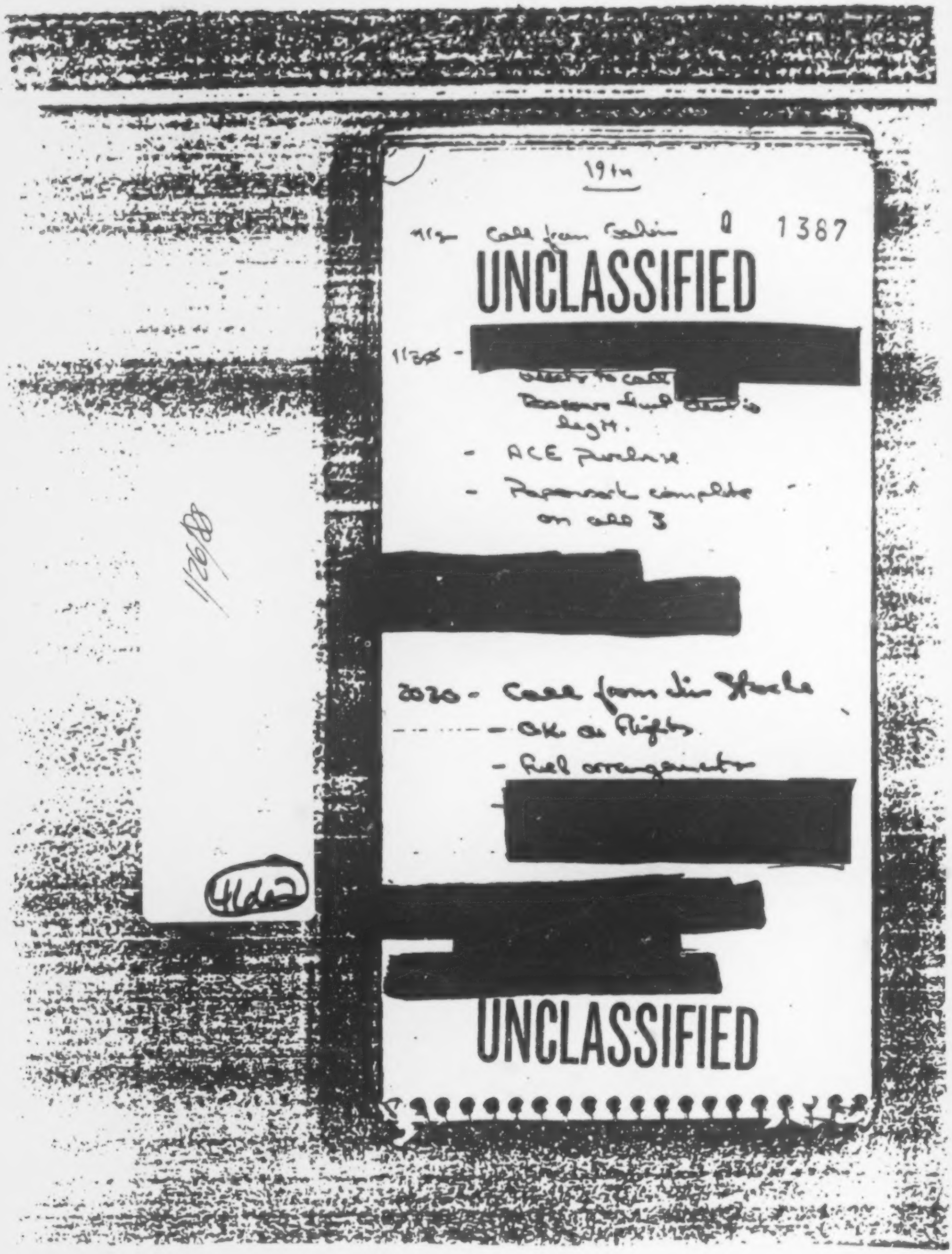


1/26/88

41de2

19th

912 Call from Gadd Q 1387

UNCLASSIFIED

1130 - [redacted]
wants to call
Reasons [illegible] [illegible]
length.
- ACE Purchase
- Paperwork complete
on all 3

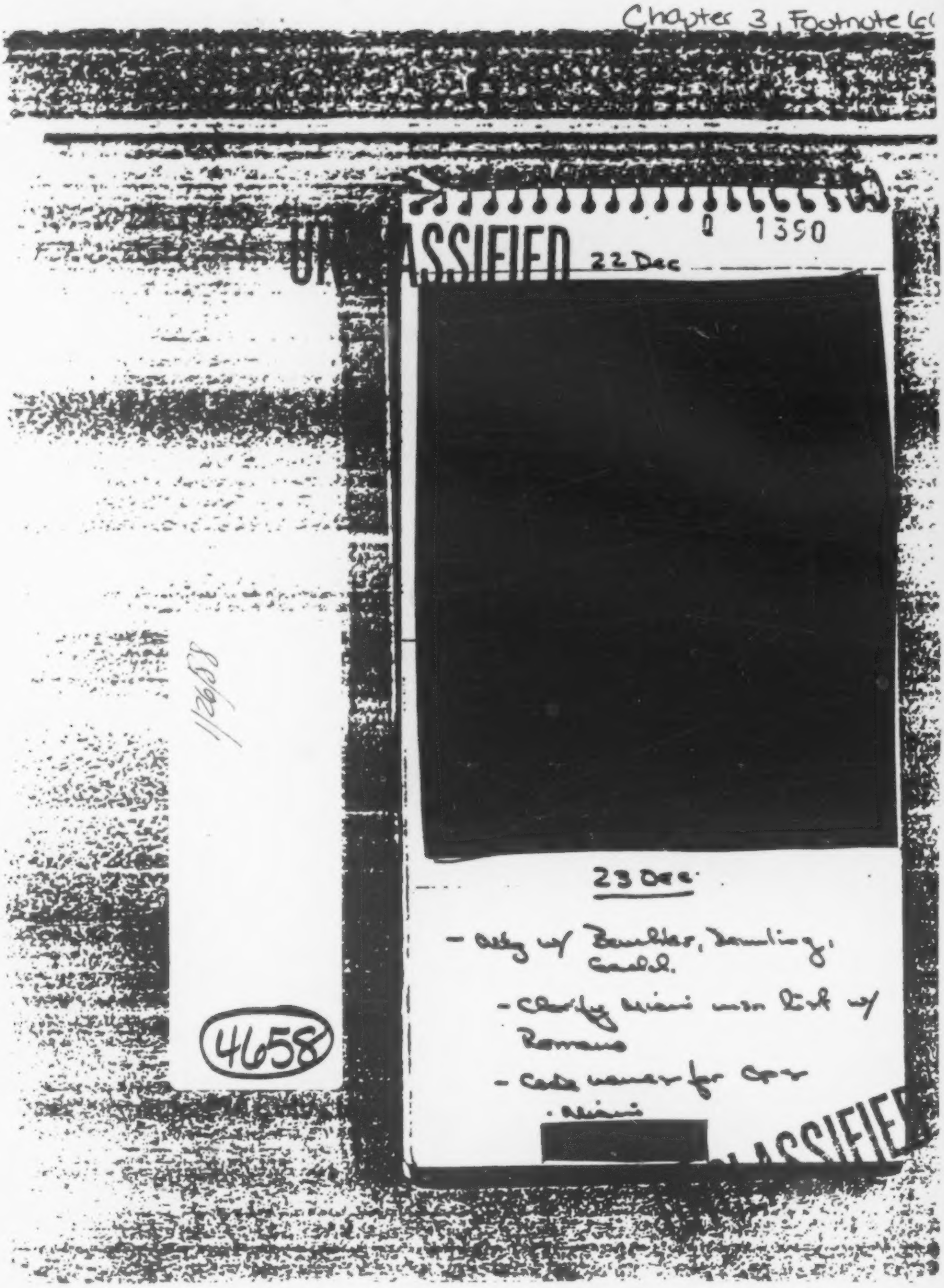
[redacted]

2020 - Call from Jim Steele
- OK on flights.
- fuel arrangements
- [redacted]

[redacted]

UNCLASSIFIED

Chapter 3, Footnote 6(



UNCLASSIFIED

0 1350

22 Dec

[redacted]

23 Dec

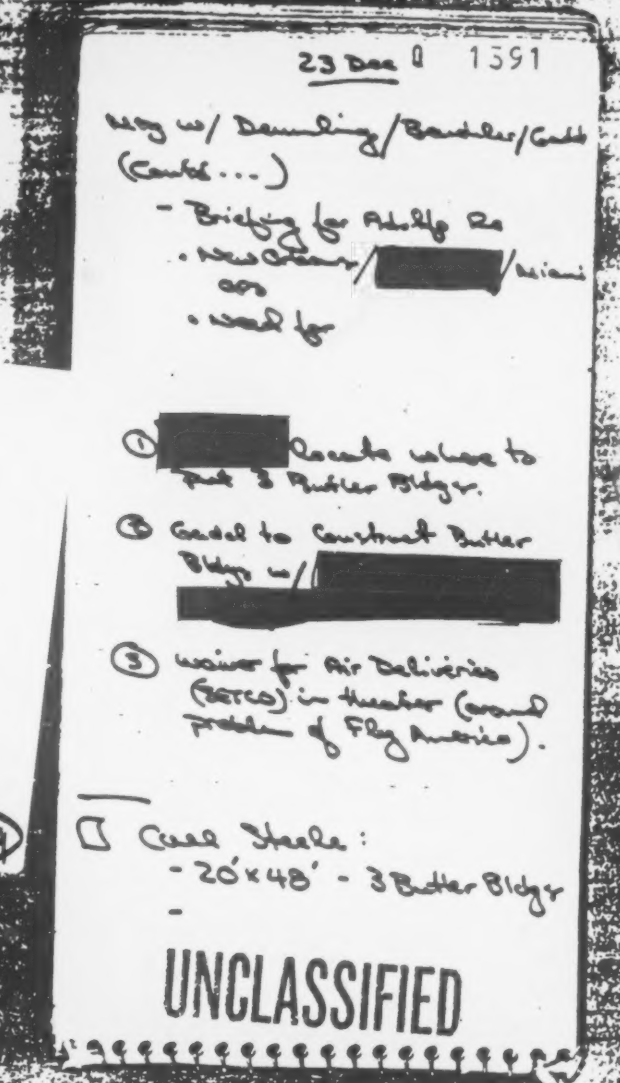
- Mtg w/ [illegible], Dowling, Gadd.
  - Clarify Miami mtn link w/ Romano
  - Code names for Ops
    - Miami

[redacted]

UNCLASSIFIED

1/26/88

4658



23 Dec Q 1591

Mtg w/ Dowling/Bandler/Gadd
(Contd...)
- Briefing for Adolfo Re
  - New Orleans/[redacted]/Miami ops
  - Need for

① [redacted] locate where to put 3 Butler Bldgs.

② Gadd to construct Butler Bldgs w/ [redacted]

③ waiver for Air Deliveries (EETCO) in theater (around problem of Fly America).

☐ Call Steele:
- 20'x48' - 3 Butler Bldgs
-

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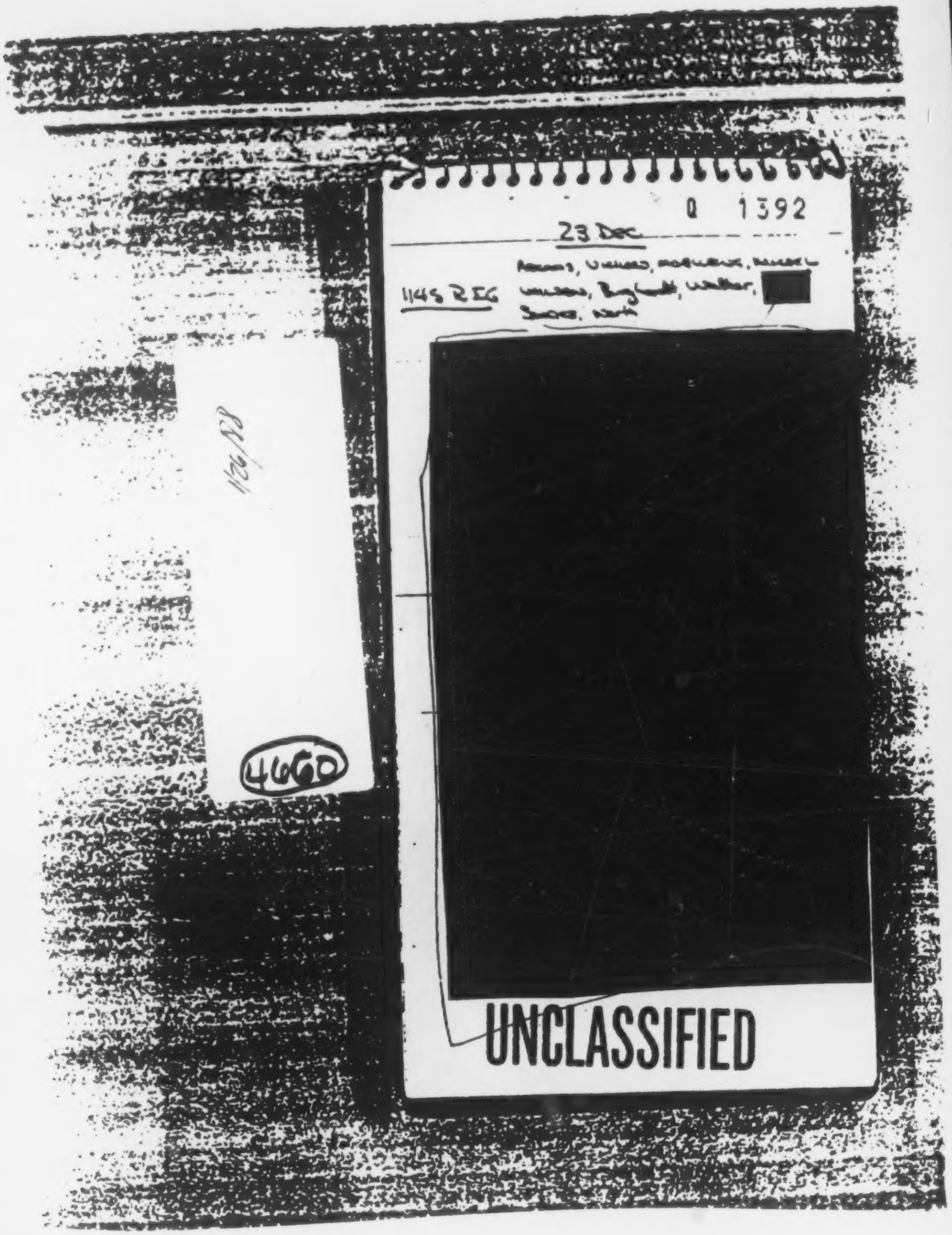
1/26/88

4659



Q 1392

23 Dec

1145 REG

Adams, [illegible], McFarlane, [illegible]

[illegible], [illegible], Walker, [redacted]

Secord, North

[redacted]

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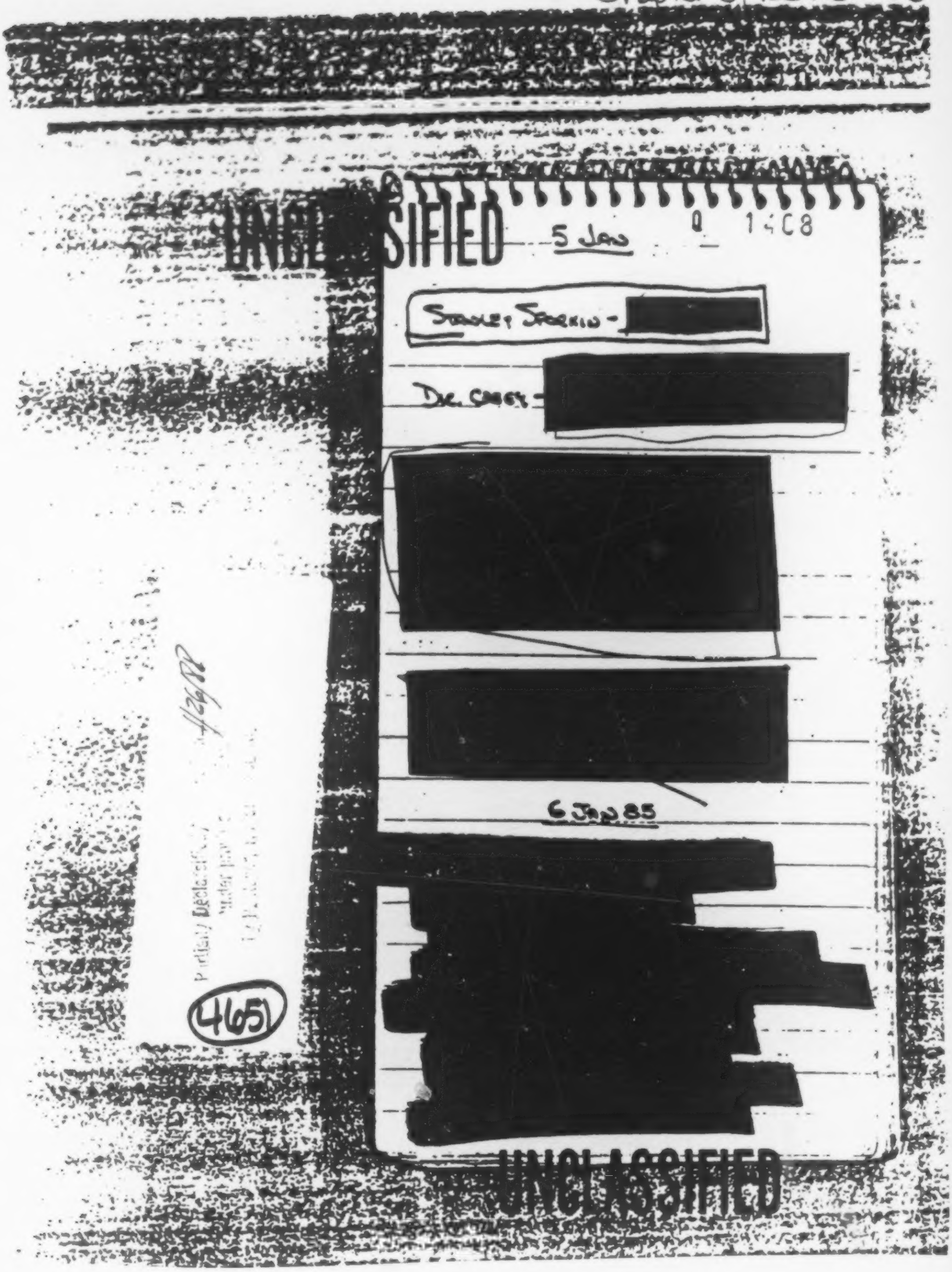
1/26/88

4660

Chapter 3 Footnote 66



UNCLASSIFIED

5 JAN

0 1408

STANLEY SPORKIN - [redacted]

DR. CASEY - [redacted]

[redacted]

[redacted]

6 JAN 85

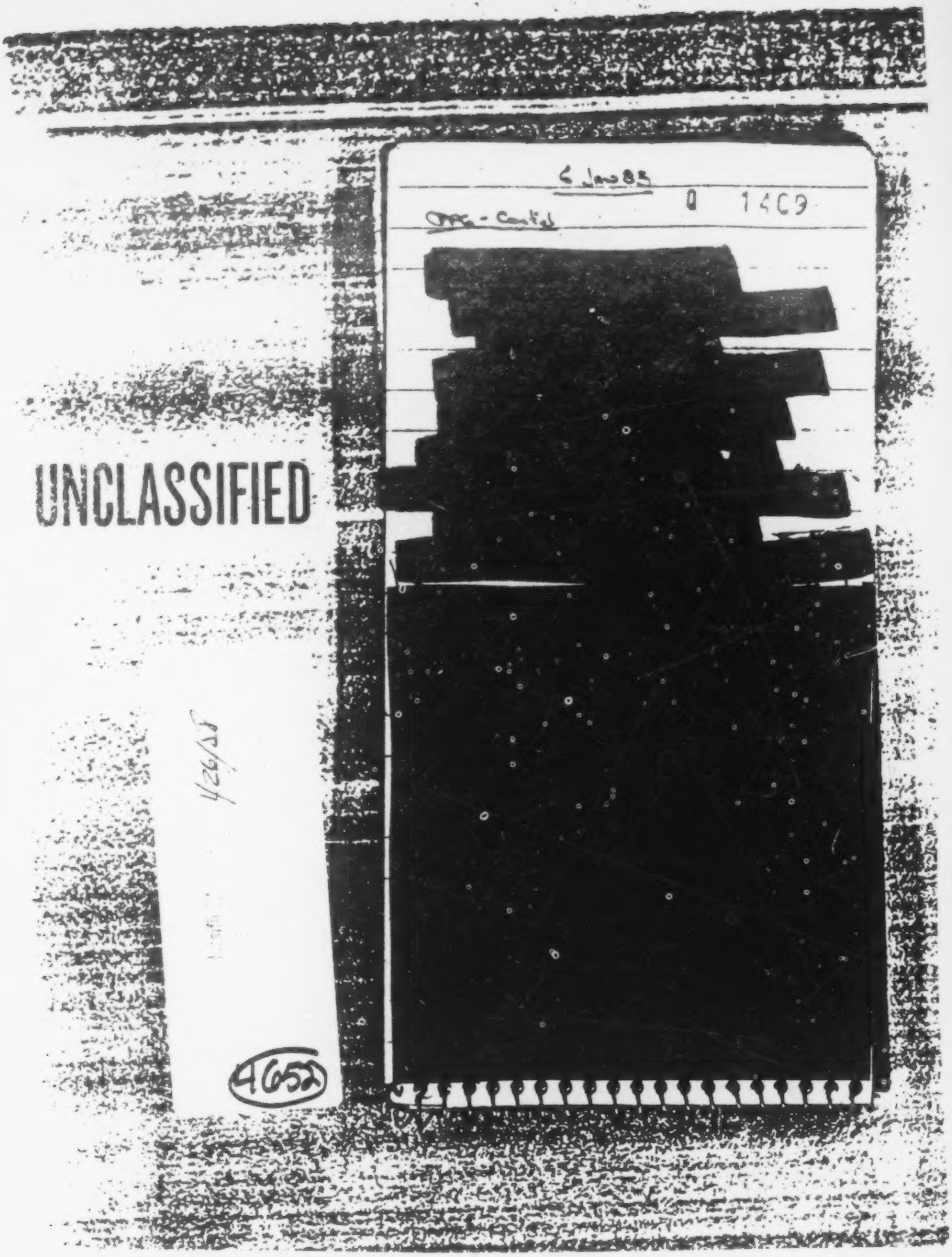
[redacted]

UNCLASSIFIED

Partially Declassified/
under [illegible]
[illegible]

1/26/88

(4651)



UNCLASSIFIED

6 Jan 85

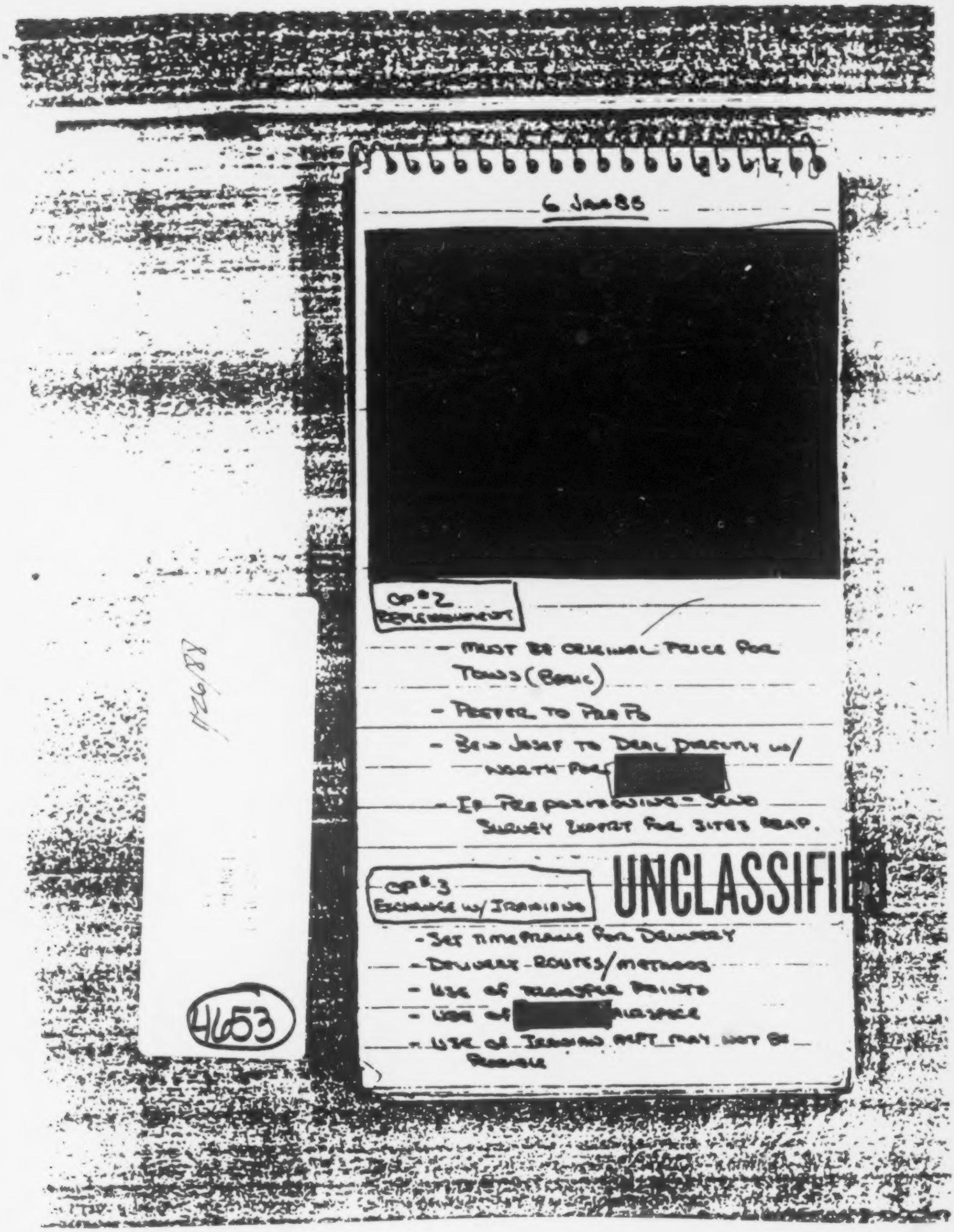
0 1409

OPG - Cont'd

[redacted]

4/26/87

4652



6 JAN 86

[redacted]

OP #2
REPLENISHMENT

- MUST BE ORIGINAL PRICE FOR TOWS (BASIC)
- PREFER TO PRE PO
- SEND JOSEF TO DEAL DIRECTLY W/ NORTH FOR [redacted]
- IF PREPOSITIONING - SEND SURVEY EXPERT FOR SITES PREP.

UNCLASSIFI

OP #3
EXCHANGE W/ IRANIANS

- SET TIMEFRAME FOR DELIVERY
- DELIVERY ROUTES/METHODS
- USE OF TRANSFER POINTS
- USE OF [redacted] AIRSPACE
- USE OF IRANIAN ACFT MAY NOT BE POSSIBLE

1/26/88

4653

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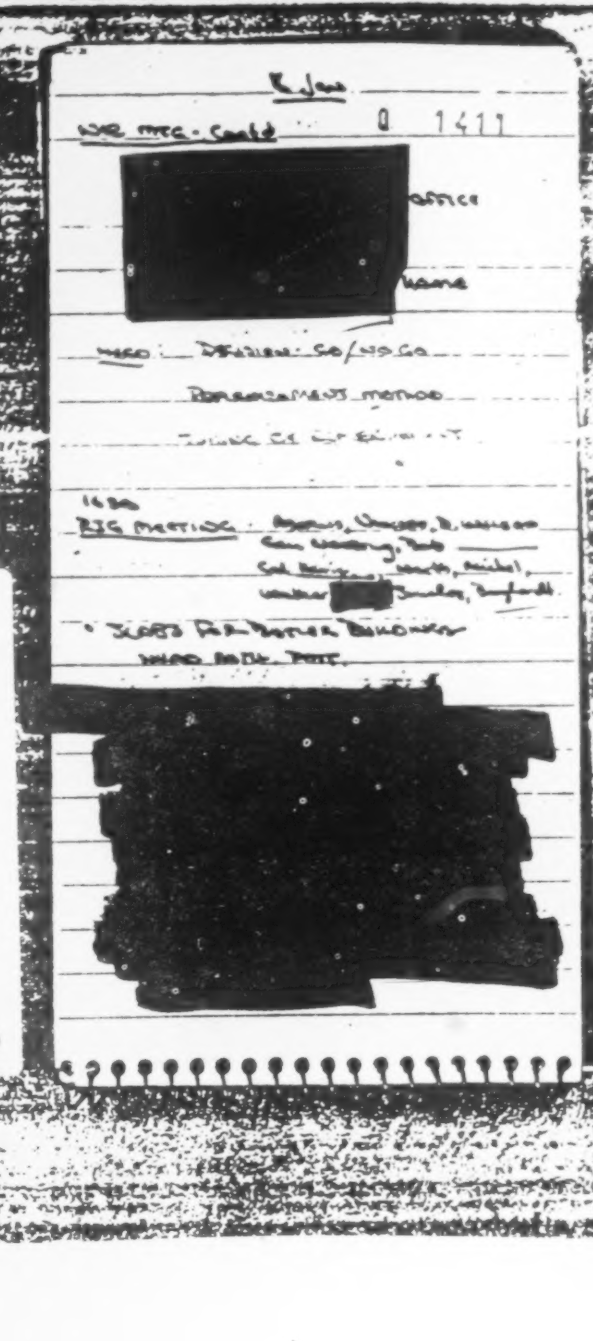


[illegible] Jan

WR MTG - Contd 0 1411

[redacted] office

name

[illegible]: DETAINEE: [illegible]

[illegible] METHOD

[illegible]

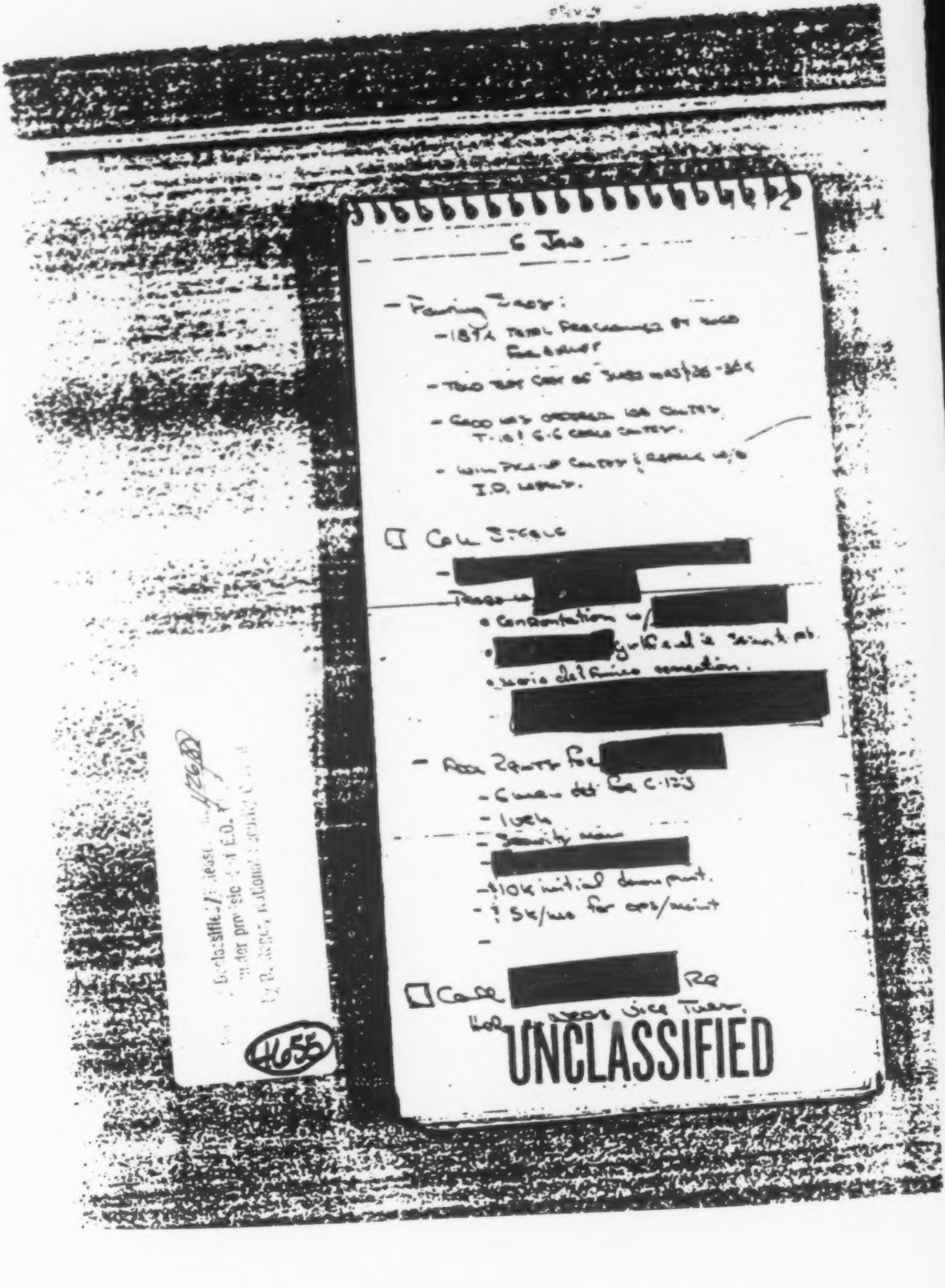
1630

BIG MEETING: [illegible], [illegible], [illegible]
[illegible], [illegible]
[illegible], [illegible], [illegible],
[illegible] [redacted] [illegible], [illegible]

• [illegible] FOR [illegible]
[illegible]

[redacted]

4654



6 Jan

- Facing [illegible]:
  - 18 [illegible] TOTAL [illegible] BY [illegible]
  - TWO TEST CERT OF [illegible]
  - GOOD WAS ORDERED [illegible] CUTTER, [illegible] CABLE CUTTER.
  - WILL PICK-UP CUTTER & REPLACE W/O I.D. [illegible].

☐ Call Steele

- [redacted]

Place [redacted]
  - Confrontation w/ [redacted]
  - [redacted] girlfriend is [illegible]
  - [illegible] connection.
  - [redacted]

- Req. 2 [illegible] for [redacted]
  - [illegible] det for C-123
  - 1 veh
  - Security man
  - [redacted]
  - $10K initial down pmt.
  - ? 5K/mo for ops/maint
  -

☐ Call [redacted] Re [illegible] Vice Team.

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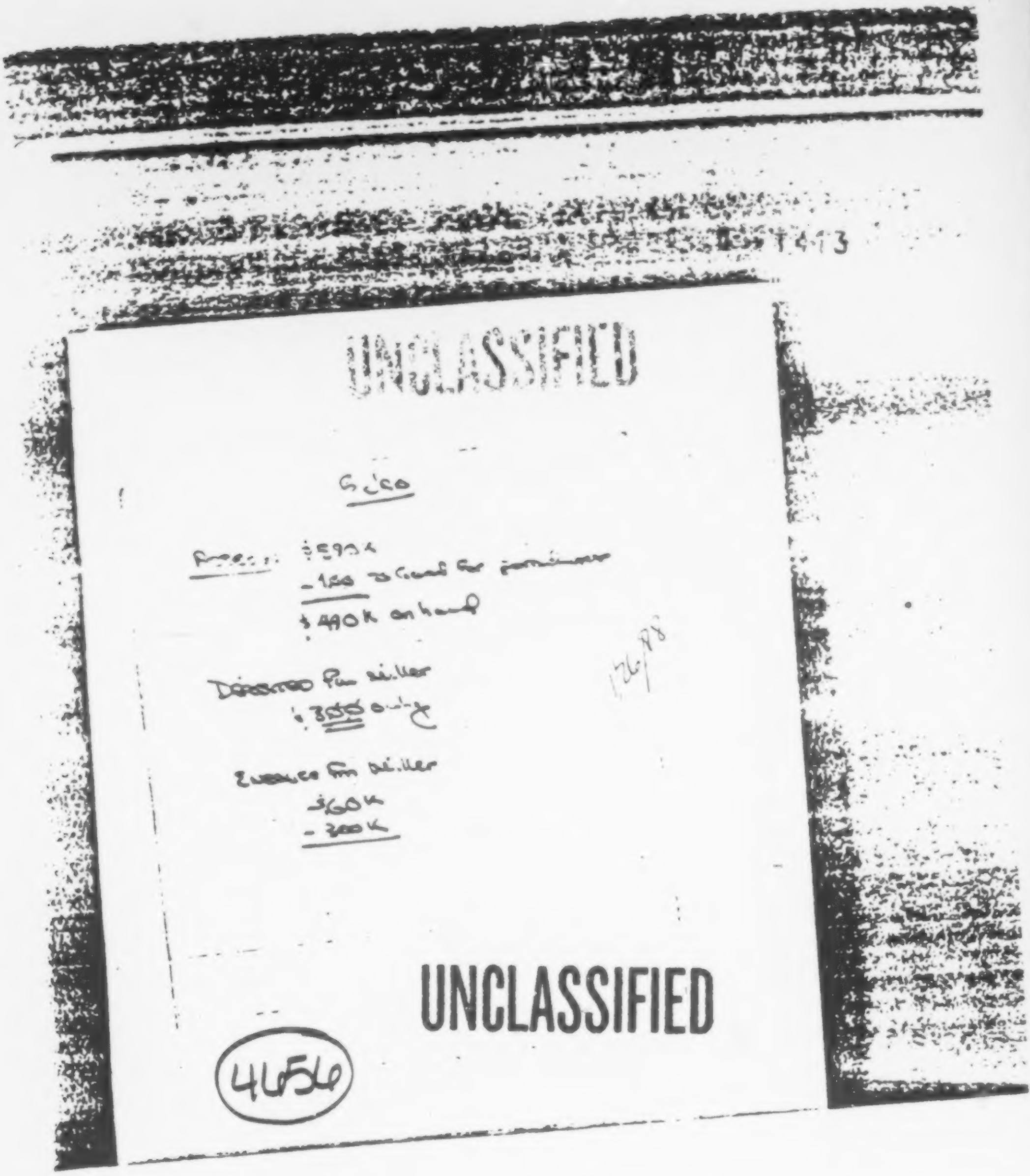
Declassified/Released on 1/26/88 under provisions of E.O. [illegible] by B. Reger, National Security Council

4655



[illegible] 1413

UNCLASSIFIED

Gico

Proceeds: $590K
-150 to [illegible] for [illegible]
$440K on hand

Deposited for Miller
$300 only

Expected fm Miller
360K
-300K

1/26/88

UNCLASSIFIED

4656

UNCLASSIFIED

0 1414

[redacted]

[redacted]

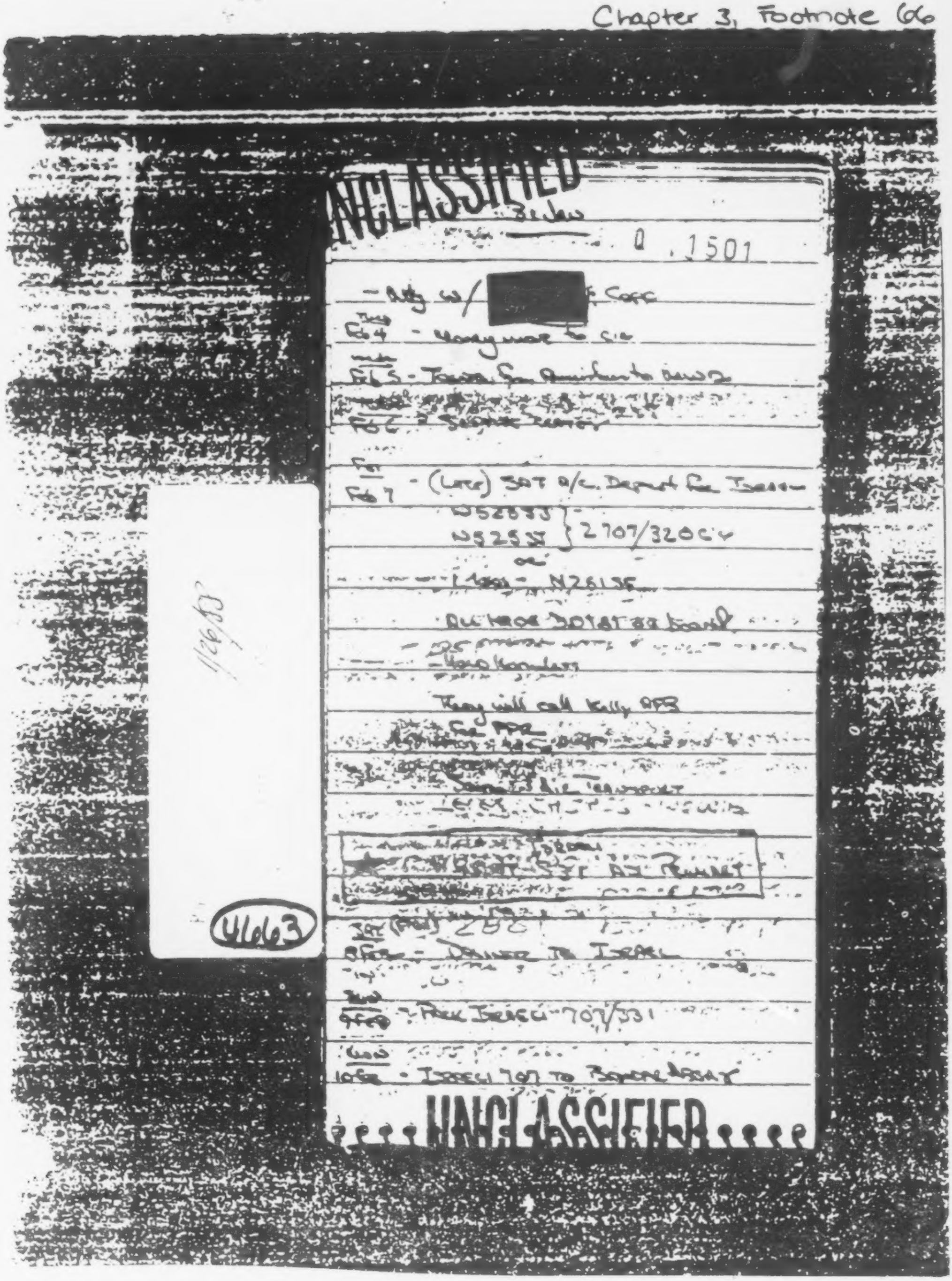
[redacted]

12618

4657

UNCLASSIFIED

Chapter 3, Footnote 66



UNCLASSIFIED

0 .1501

— Mtg w/ [redacted] & Corc

Tues Feb 4 - Many more to S/A

Wed Feb 5 - Transfer from [illegible] to [illegible]

Feb 6 - [illegible]

Fri Feb 7 - (Late) 707 a/c. Depart for Israel—

N52833
N52533 } 2 707/320C's

or

1 [illegible] - N28135

All have 707 [illegible] Board

— [illegible]

— [illegible]

They will call Kelly AFB for PPR

[illegible]

Southern Air Transport

[illegible]

[illegible] AT Runway

Sat (Feb) 8 Feb - Deliver to Israel

Sun 9 Feb - Pick Israeli 707/331

Mon 10 Feb - Israeli 707 to Bandar Abbas

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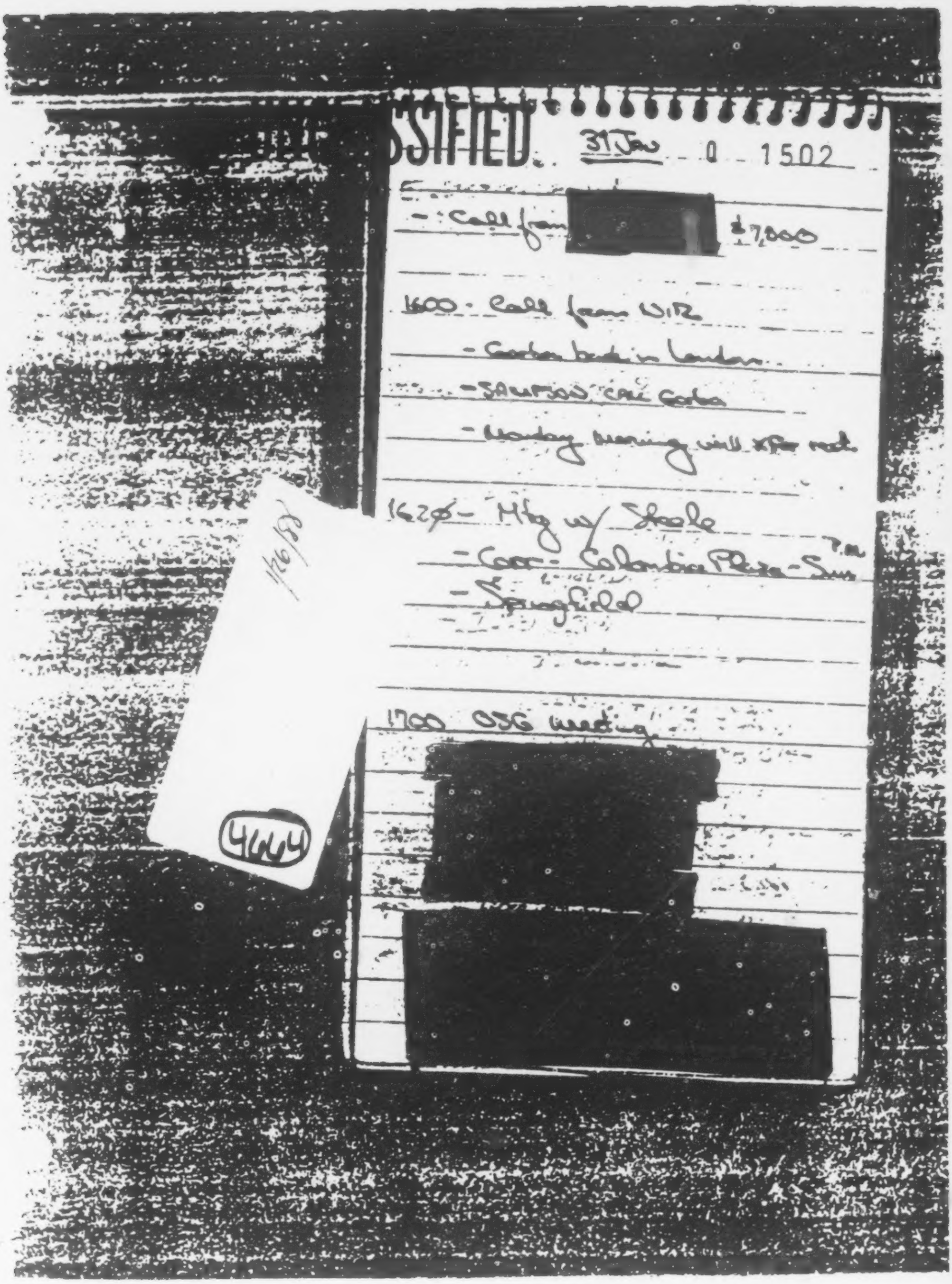
1/26/87

41663



SSIFIED. 31 Jan 0 1502

- Call from [redacted] $7,000

1600 - Call from NIR
- Gorba back in London
- SAMSON call Gorba
- Monday morning will xfer rest

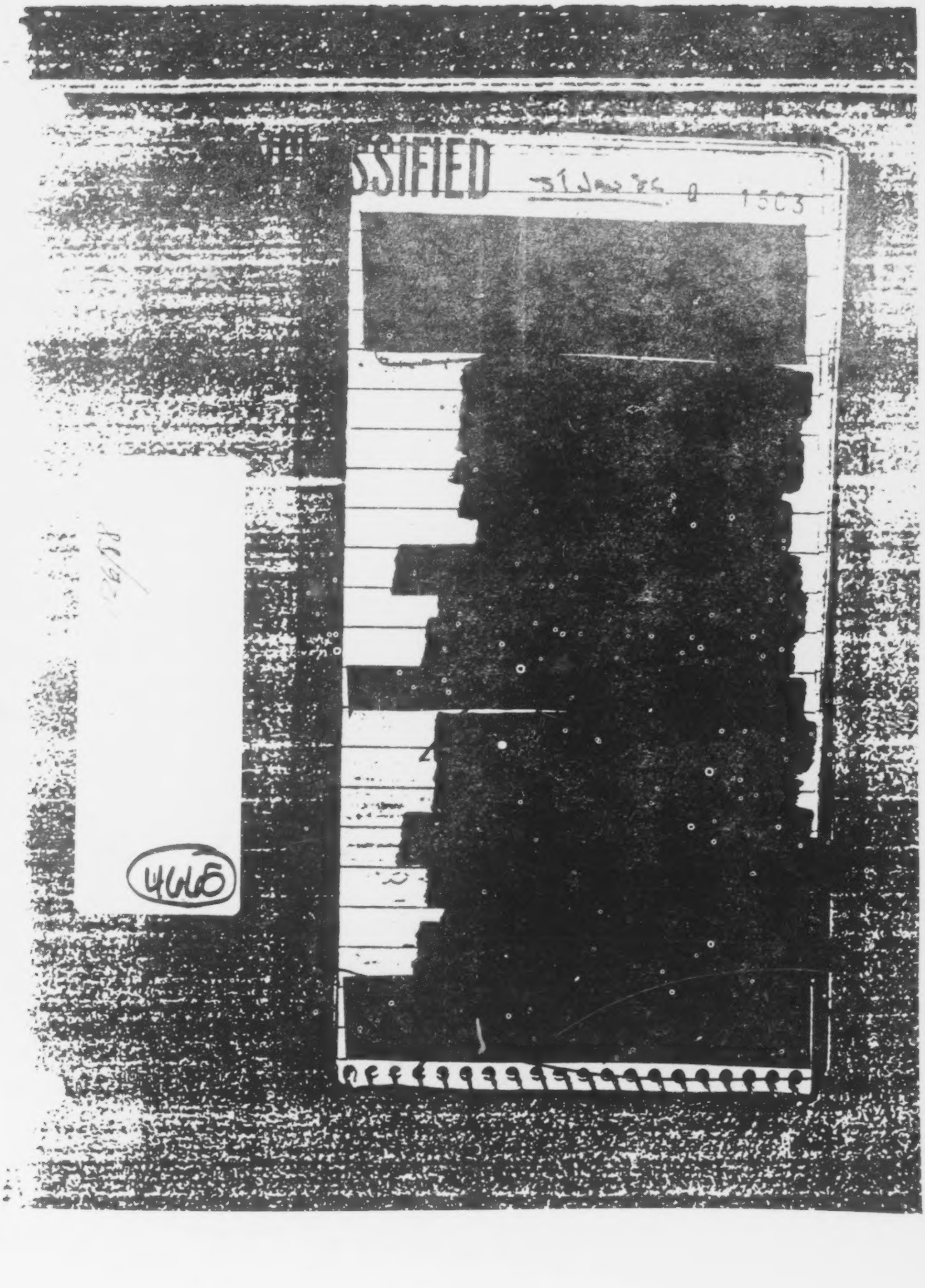
1620 - Mtg w/ Steele
- Coor - Colombia Plaza - Sun P.M.
- Springfield

1700 OSG meeting

[redacted]

1/26/88

4444

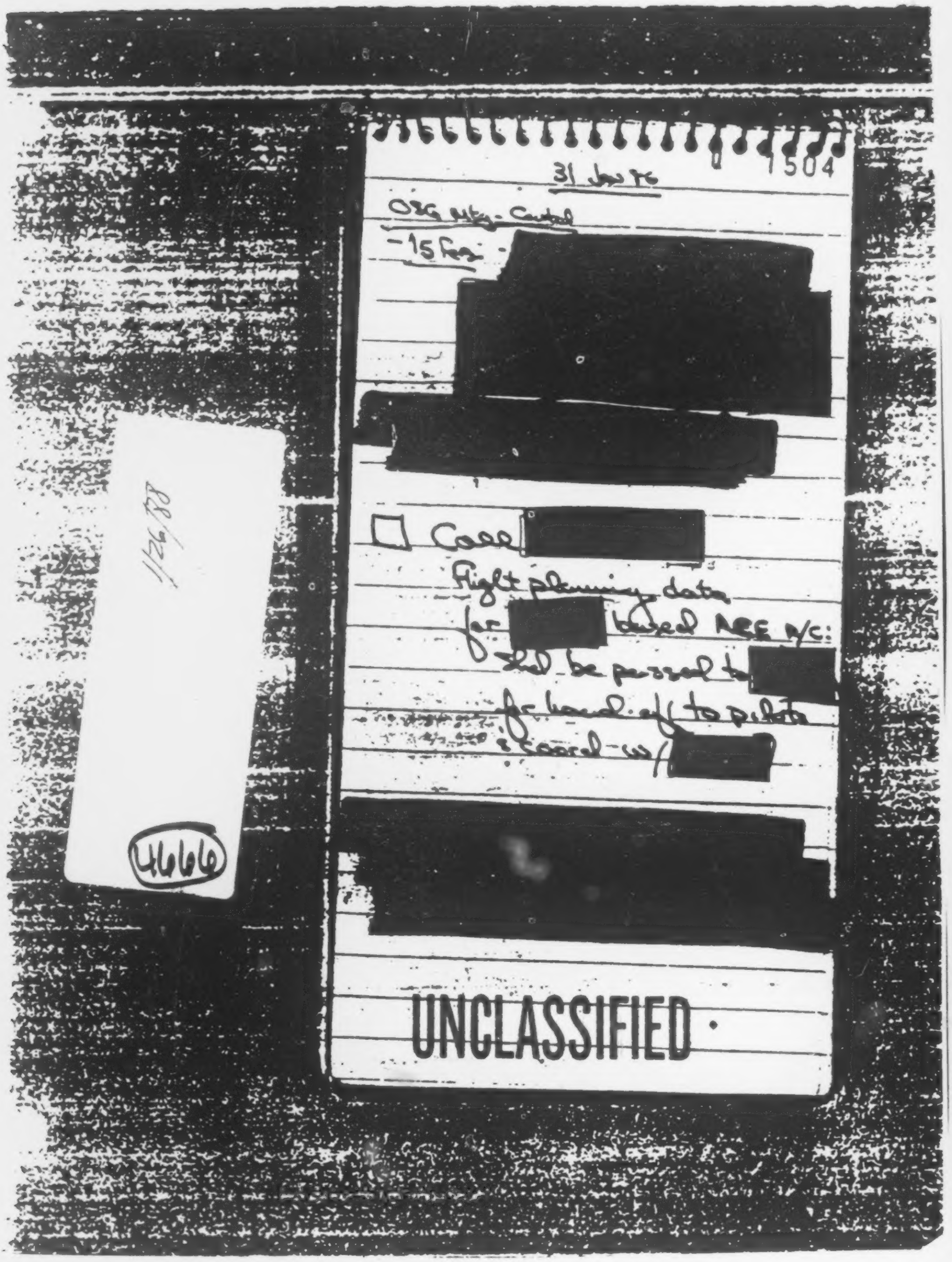


SSIFIED 31 Jan 86 0 1503

[redacted]

12/88

466



1/26/88

4666

1504

31 Jan 86

OSG Mtg - Central

- 15 Feb - [redacted]

☐ Call [redacted]

Flight planning data
for [redacted] based ARE a/c:
shd be passed to [redacted]
for hand-off to pilots
& coord w/ [redacted]

[redacted]

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Chapter 3 #66

[illegible] 3-66 [illegible]

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Partially Declassified/Released on 9 July 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

16 Jan

1330 - Call from Nir
- [illegible] is going on 10 day o/s trip on Sunday.
- Very difficult to consummate after departure
- Proposal

[redacted]

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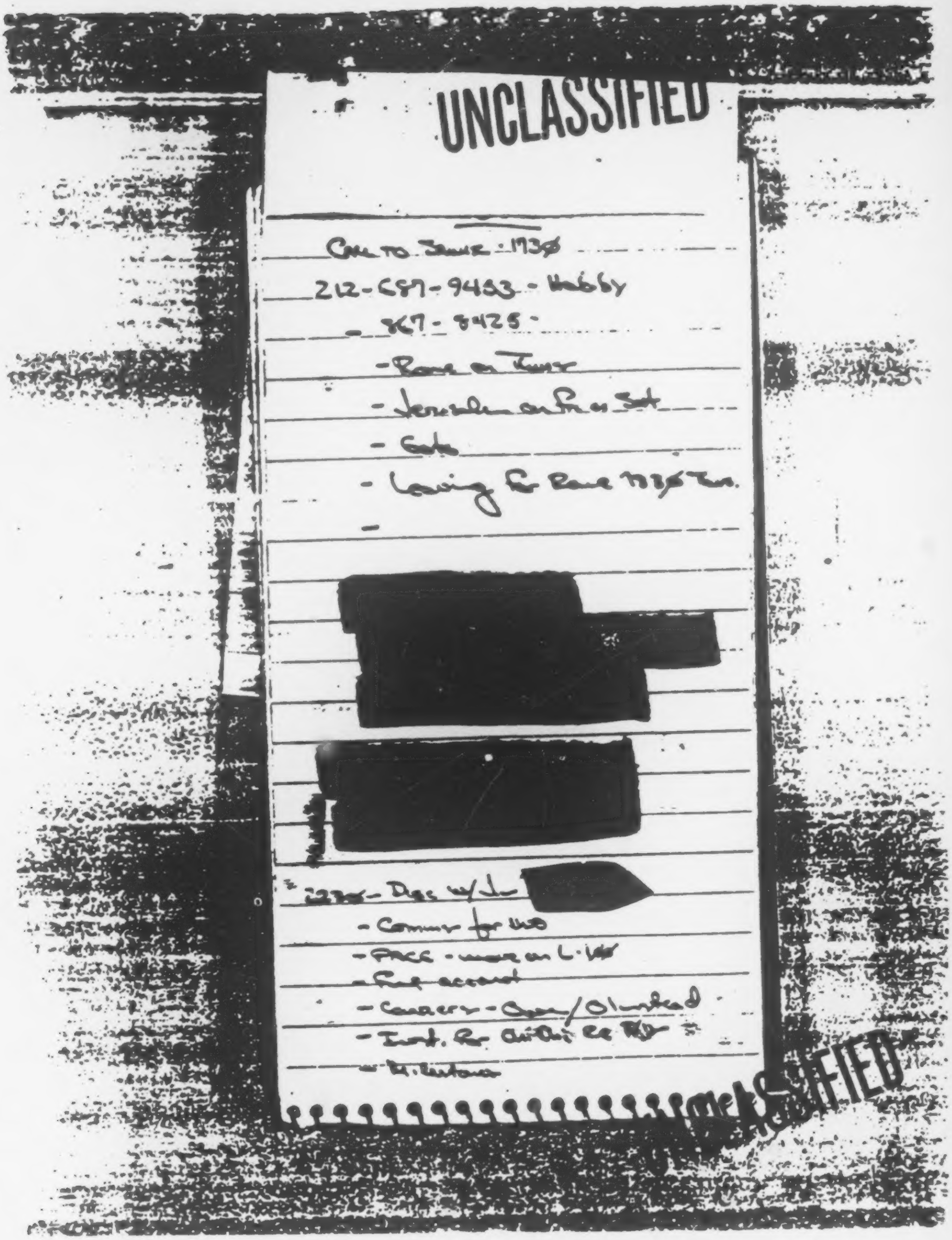

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Call to [illegible] - 1730

212-687-9453 - Hobby

- 867-8425 -
- Rome on Tues
- Jerusalem on Fri or Sat
- [illegible]
- Leaving for Rome 1830 Tues.
-

[redacted]

[redacted]

2230 - Disc w/ [redacted]

- Comms for UNO
- PRCC - more on L-100
- Fuel account
- Couriers - Ops/Olmstead
- Inf. for Airlift Re FDN
- [illegible]

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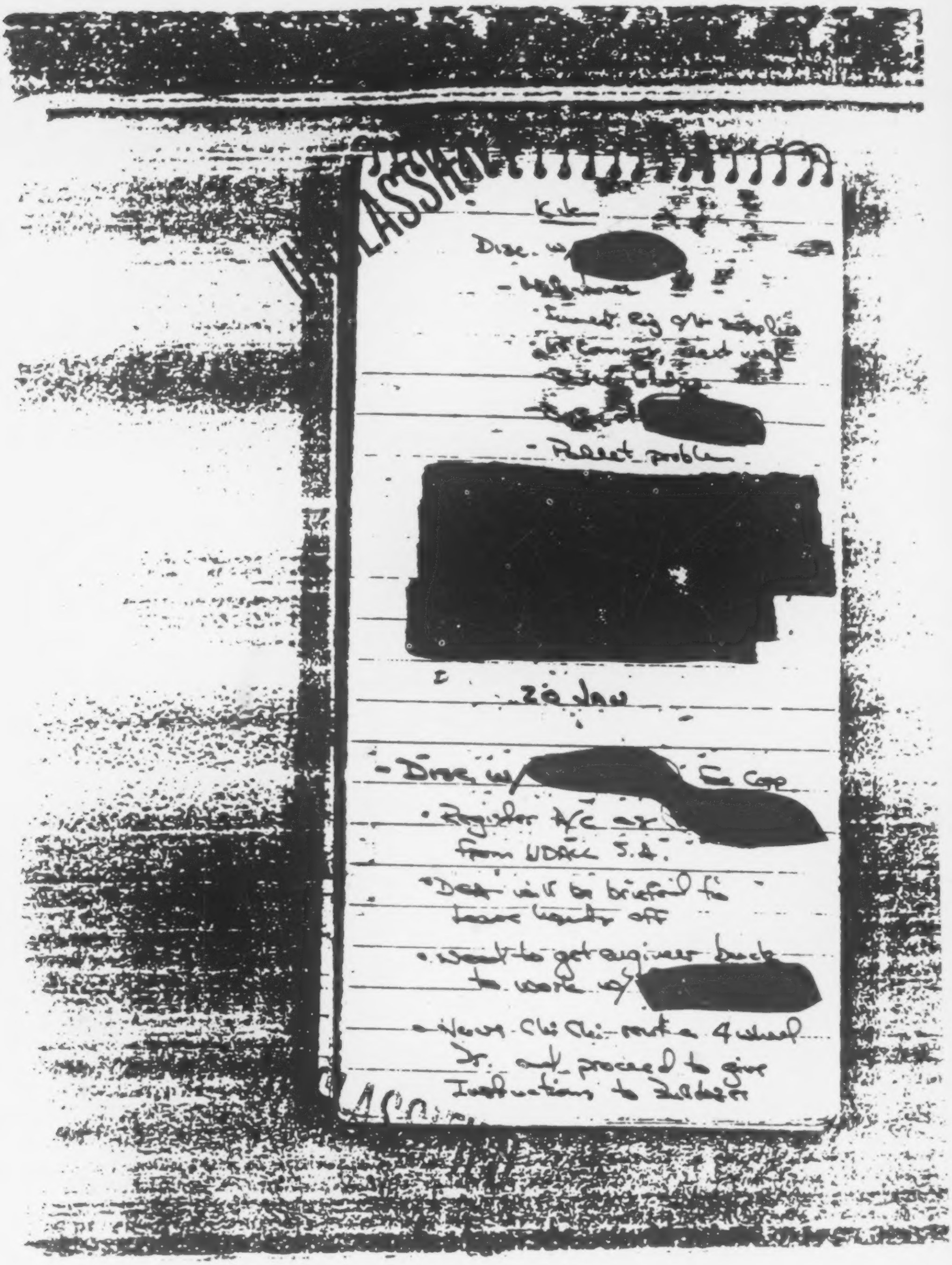

UNCLASSIFIED

Kik

Disc. w [redacted]

- [illegible]
  - [illegible] Rig q/h supplies
  - at [illegible], [illegible]
  - [illegible]
  - [illegible] [redacted]
- Pallet problem

[redacted]

20 Jan

- Disc. w/ [redacted] Co Cap
  - Register A/C as [redacted] from UDALL S.A.
  - Dick will be briefed to leave lights off
  - Want to get engineer back to work w/ [redacted]
- Have Chi Chi rent a 4 wheel Dr. and proceed to give Instructions to Builders

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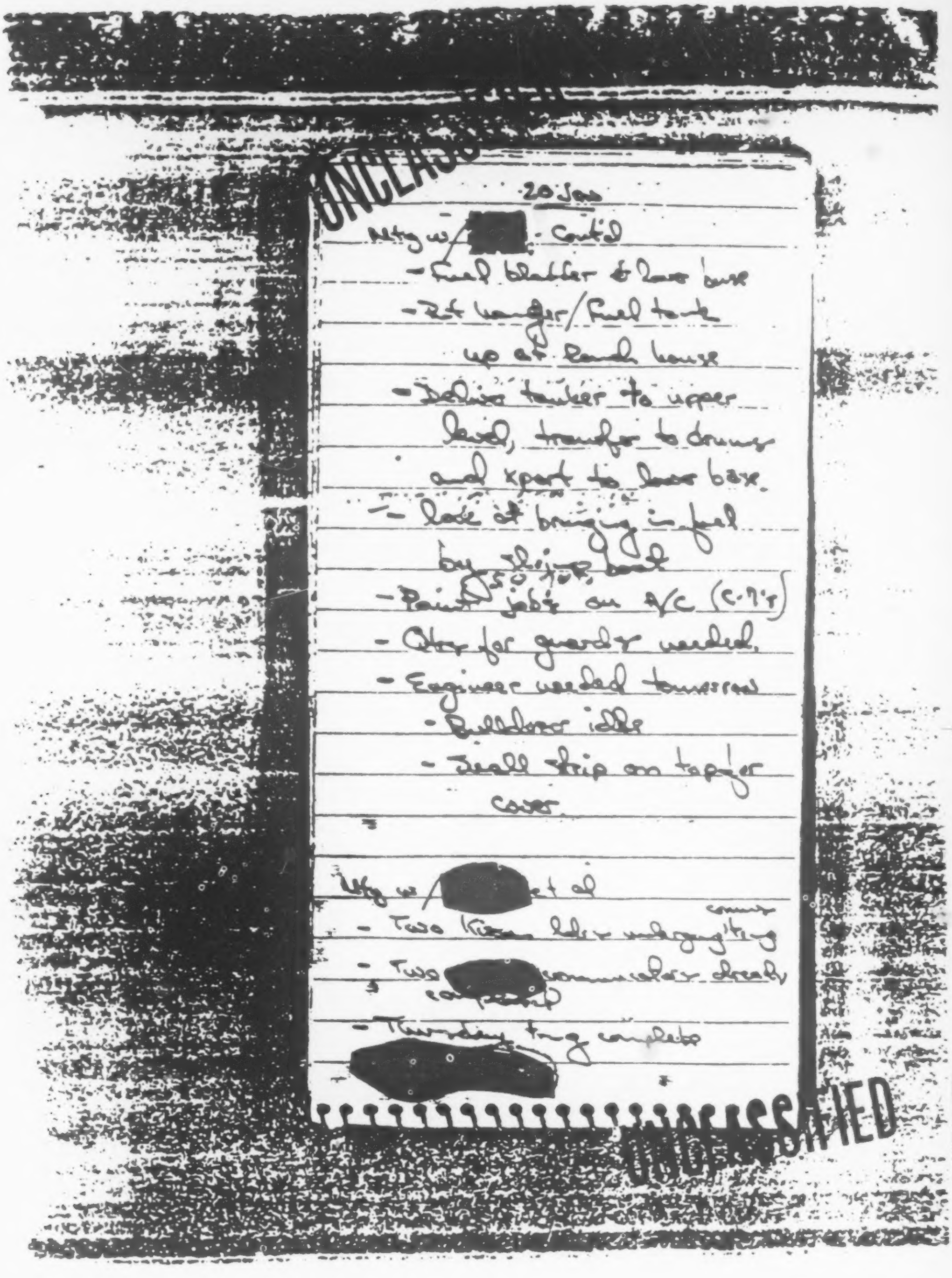

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20 Jan

Mtg w/ [redacted] - Cont'd
- Fuel bladder @ lower base
- Rt hanger/Fuel tank up at ranch house
- Deliver tanker to upper level, transfer to drums and xport to lower base.
- look at bringing in fuel by shrimp boat 50 ton
- Paint jobs on A/C (C-7's)
- Qtrs for guards needed.
- Engineer needed tomorrow
  - Bulldozer idle
  - Install strip on top for cover.

Mtg w/ [redacted] et al
- Two Misura ldrs undergoing comms trng
- Two [redacted] commanders already completed
- Thursday trng complete

[redacted]

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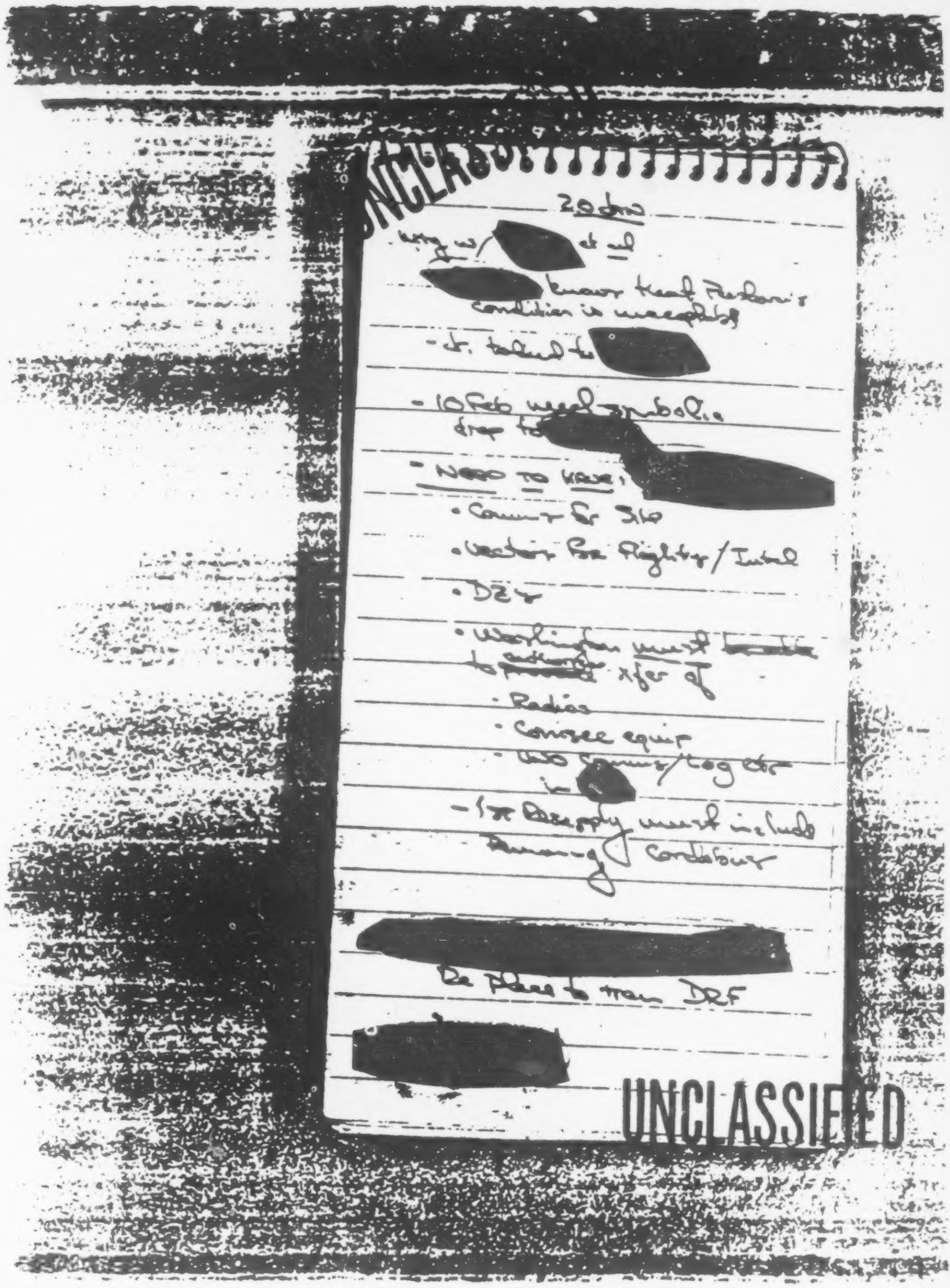

UNCLAS

20 Jan

Mtg w/ [redacted] et al

- [redacted] knows that Parker's condition is unacceptable

- Dr. talked to [redacted]

- 10 Feb need symbolic drop to [redacted]

- NEED TO KNOW: [redacted]
  - • Comms for Site
  - • Vectors for flights / Intel
  - • DZs
  - • Washington must ~~[illegible]~~ arrange ~~to provide~~ xfer of
    - Radios
    - Convoy equip
    - UHF Comms/Log etc in [redacted]

- 1st Resupply must include [illegible] condolence

[redacted]

Re Plans to train DRF

[redacted]

UNCLASSIFIED

#67 Chapter 3, Footnote 1

3-67

0 1459

10 Jan 86 UNCLASSIFIED

1430

- Mtg w/ Gen Galvin, JMP, Lucas, Thompson, North.
  - Mil & Pol. concept
  - Process problem
  - Actions:
    - wider Political support for UNO
    - Broader Intl backing for DRF
      - 3rd Country Asst.
      - Regional Asst.
    - Intensified [redacted]
    - Three part program
    - ① overt humanitarian
    - ② covert strategy/training planning/support
    - ③ [redacted]
  - Galvin [redacted]
    - Provide moral support
    - Provide humanitarian assistance
    - Provide
- Legis strategy must include Gen Galvin work on hill.
- Mil trng in support of CIA
- New finding & supp request shd be forwarded simultaneously.

1/26/88

Partially Declassified under

4667

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3-69

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Chapter 3, Footnote 69

Page Q 2026

Non Relevant

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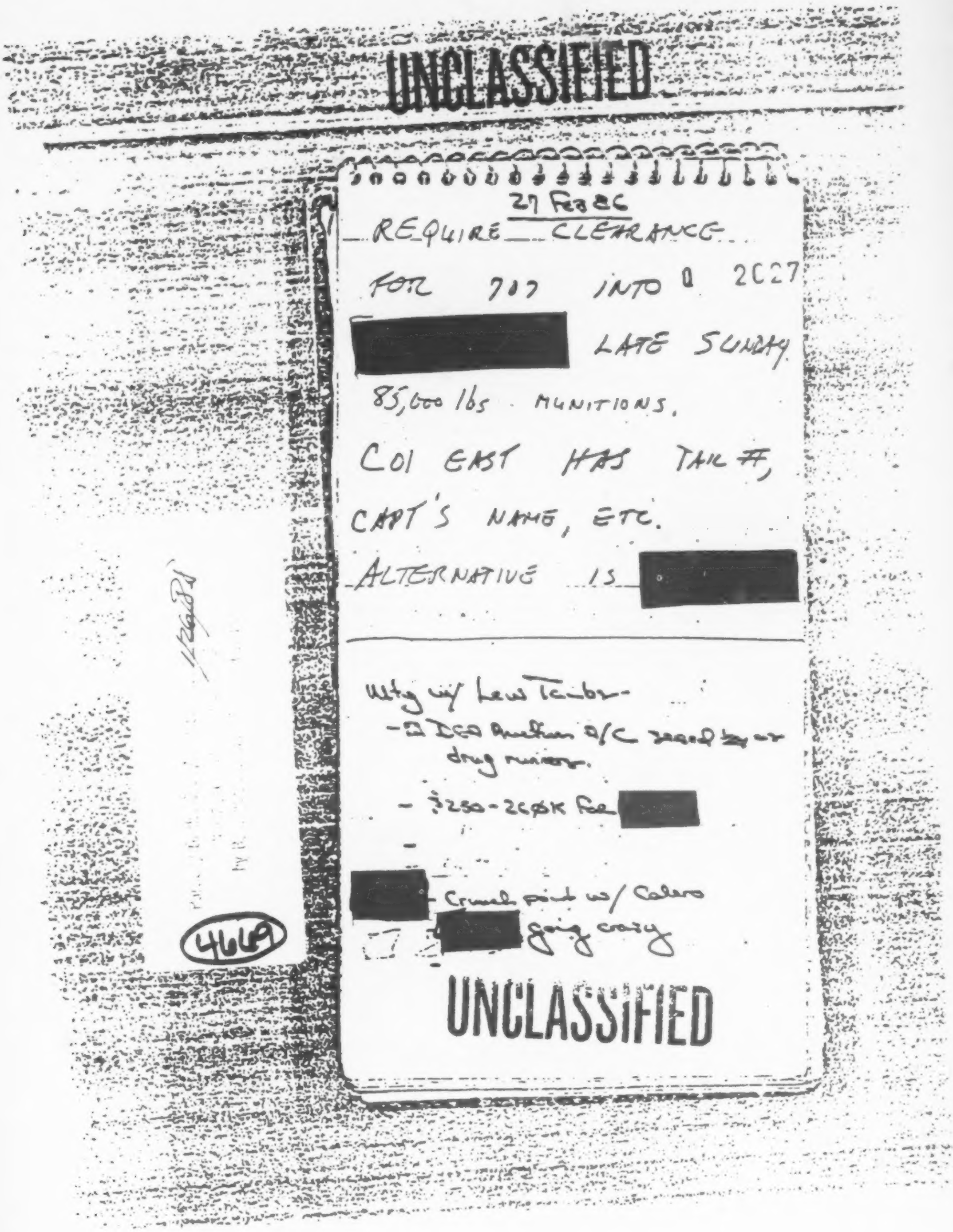
4668



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27 Feb 86

REQUIRE CLEARANCE

FOR 707 INTO 0 2027

[redacted] LATE SUNDAY

85,000 lbs MUNITIONS.

COl EAST HAS TAIL #,

CAPT'S NAME, ETC.

ALTERNATIVE IS [redacted]

Mtg w/ Lew Tambs -

- DEA American A/C seized by drug runners.

- $250-260K for [redacted]

-

[redacted] - Crunch point w/ Calero

- [redacted] going crazy

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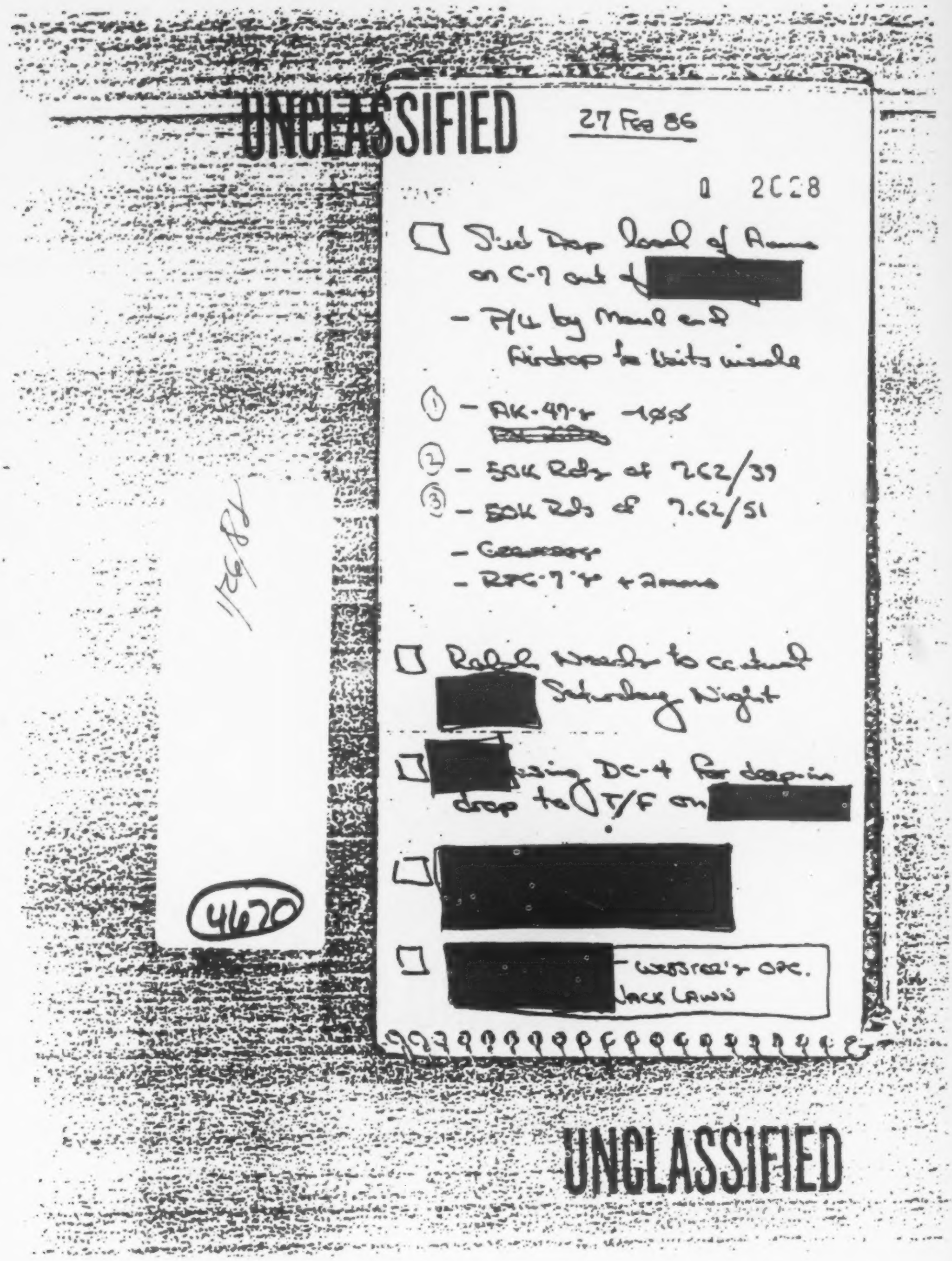
4669



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27 Feb 86

0 2028

☐ First Drop load of Arms on C-7 out of [redacted]
- P/U by Maule and Airdrop to units inside

① - AK-47's - 100s
② - 50K Rds of 7.62/39
③ - 50K Rds of 7.62/51
- Grenades
- RPG-7's + ammo

☐ Ralph needs to contact [redacted] Saturday Night

☐ [redacted] using DC-4 for deep-in drop to T/F on [redacted]

☐ [redacted]

☐ [redacted] - Webster's Ofc. Jack Lawn

1/26/87

4670

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Pages Q 2029 thru Q 2032

Non Relevant

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3-71

Chapter 3, footnote 71

UNCLASSIFIED

Pages ♀2003 thru ♀2011

Non Relevant

4671

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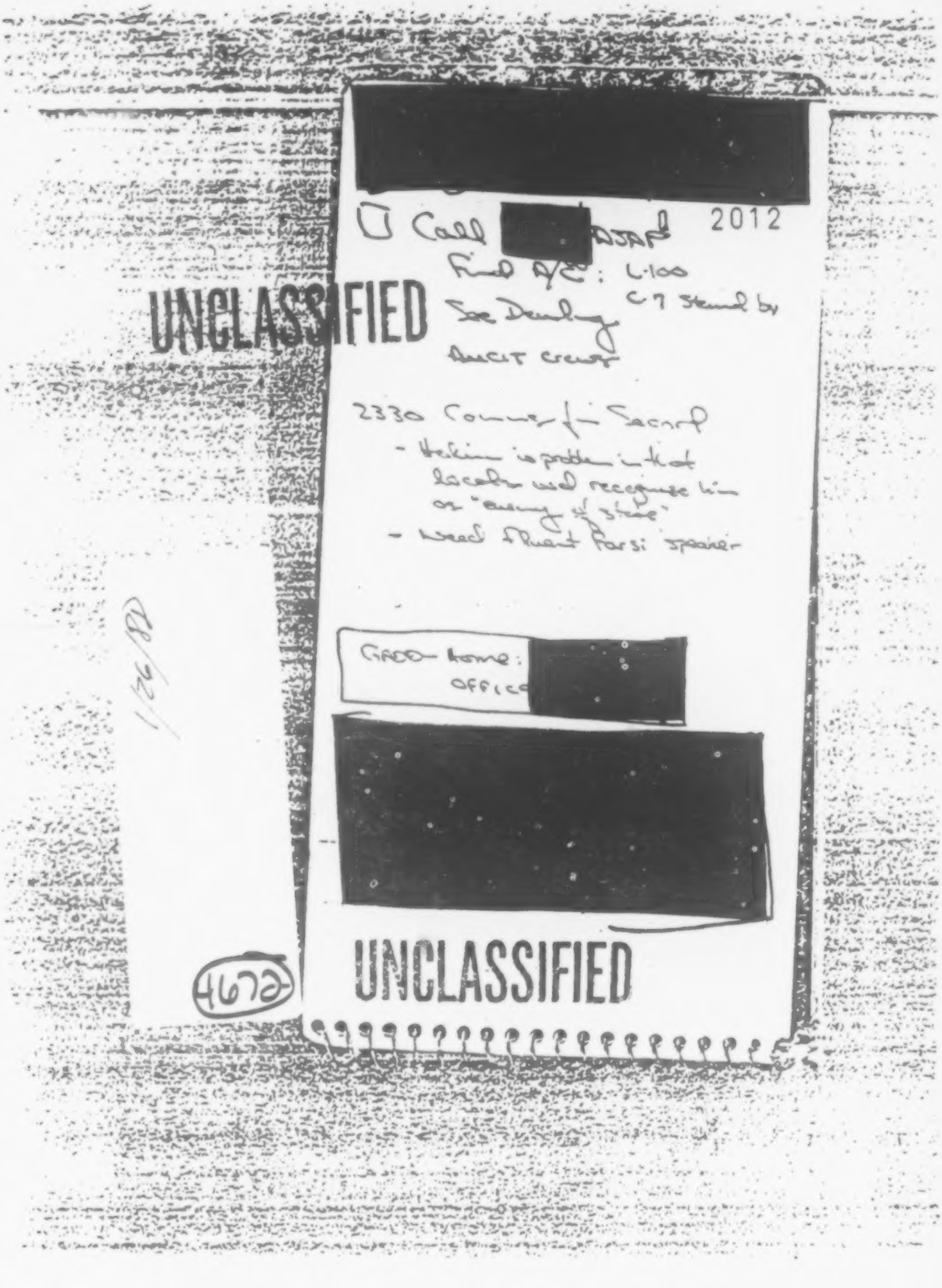

[redacted]

☐ Call [redacted]DJAF 2012

Find A/C: L-100

C-7 Stand by

UNCLASSIFIED

See Dunlap

AMCIT crews

2330 Conversation w/ Secord

- Hakim is problem in that location and recognize him as "enemy of state"
- Need fluent Farsi speaker

1/26/86

GREG home: [redacted]
office

[redacted]

4672

UNCLASSIFIED

3-84

See Hearing Exhibit TC-6

To	Name and Address	Date	Initials
1	Robert McFarlane		
2			
3			
4			
5			
6			

X	ACTION	FILE
	APPROVAL	INFORMATION
	COMMENT	PREPARE REPLY
	CONCURRENCE	RECOMMENDATION
	DIRECT REPLY	RETURN
	DISPATCH	SIGNATURE

REMARKS

cc: Oliver North (#2 and 3)
Ken deGraffenreid (#4)
Jim Radzimski (#5)

7636

#62

UNCLASSIFIED

~~TOP SECRET~~

N 16885

NSC/ICS CONTROL NO. 401214

COPY NO. 1 OF 5

HANDLE VIA SYSTEM IV CHANNEL ONL

3-87

NSC INTELLIGENCE DOCUMENT

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

Partially Declassified/Released on 5 May '92
under provisions of E.O. 12356
by B. Reger, National Security Council

~~TOP SECRET~~
UNCLASSIFIED
~~TOP SECRET~~

[illegible]

System #

Package # 401214

UNCLASSIFIED

N 16836

	SEQUENCE TO	HAS SEEN	DISPOSITION
Paul Thompson	1	PT	
Bob Kimmitt	2	K	
John Poindexter	3		
Tom Shull			
Wilma Hall	4		
Bud McFarlane	5	M	A
Bob Kimmitt			
NSC Secretariat Jim	7		R
Situation Room		J	

I = Information [✓ A = Action] R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other

COMMENTS

Should be seen by:
(Date/Time)

[redacted]

UNCLASSIFIED

Chapter 3 Footnote 67

MEMORANDUM

UNCLASSIFIED

NATIONAL SECURITY COUNCIL

Partially [redacted]

December 4, 1984

N 16887

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Assistance for the Nicaraguan Resistance

In accord with prior understanding, I met on Wednesday, November 28, with [redacted], Defense Attache, Embassy of the [redacted] Gaston Sigur arranged the luncheon meeting at the Cosmos Club and was present throughout.

As agreed, I explained to [redacted] our purpose in the meeting was to clarify questions which had been raised in Canada regarding an arms transaction destined [redacted] I explained that an intermediary had advised that [redacted] apparently made a decision not to proceed with the Canadian-originated arms sale. This offer of purchase included 10 SA-7 missile launchers [redacted] 30 missiles, 1 training unit, and 10 tracking units.

[redacted] professed to be unaware of the Canadian transaction. I advised him that the purchase was not really intended for use by [redacted] but rather for the Nicaraguan Resistance Forces. Further, the intermediary had indicated that the problem appeared to be the number [redacted] military officers who are graduates of the [redacted] As a consequence of the apparent reluctance to proceed with the sale showing [redacted] end user certificate, the Canadian arms dealer is preparing to re-initiate discussions for a similar delivery. [redacted] was advised that the FDN would prefer to have the delivery as soon as possible, since the Soviet HIND-D helicopters were being assembled as we spoke.

[redacted] was further advised that Adolfo Calero, the Head of the FDN, was willing to commit to a recognition [redacted] once the Resistance Forces had succeeded. [redacted] indicated that he understood the message and would confer with the [redacted] He observed, for the record, that [redacted] refused to become involved, in any way, in the internal affairs of another country. I indicated that we fully appreciated this position and noted that it was too bad that the Soviets, Bulgarians, and East Germans involved in Nicaragua did not feel the same way.

~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED

~~TOP SECRET~~ UNCLASSIFIED

Later that afternoon, MGEN Jack Singlaub (U.S. Army, Retired) visited to advise of two meetings he had held early in the day regarding support for the Resistance. Singlaub passed on the following points:

N 16888

Meeting with [redacted]

-- The FDN is in urgent need of anti-aircraft weapons and other crew-served weapons ammunition (particularly 60 and 81mm mortar rounds). Units in the field are also in need of large quantities of boots and clothing since the number of ralliers has exceeded expectations by 2,000.

-- The Resistance Forces are also in urgent need of expertise in maritime operations.

-- The USG is unaware of the Singlaub mission and he is making this request based on his long friendship Because of the law restricting USG involvement, no USG official can solicit on behalf the Resistance Forces.

-- If like to help, Singlaub can arrange a meeting with Adolfo Calero. If it is necessary for a USG official to verify Calero's bona fides, this can be arranged.

Meeting with [redacted]

-- By agreement with Calero, Singlaub advised since had turned down the earlier FDN request for assistance the Resistance movement had approached

-- The Resistance still is in need of financial support, munitions, and training assistance.

-- this was a "considerably different situation" than that which he had been aware of earlier. While not committing to support, he noted to Singlaub that this new information might make a difference

[redacted]

~~TOP SECRET~~ UNCLASSIFIED

~~TOP SECRET~~ 3 UNCLASSIFIED

[redacted]

N 16889

This weekend, at the request of Sec. John Lehman, I met with Mr. David Walker, a former British SAS officer who now heads two companies (KMS and SALADIN) which provide professional security services to foreign governments. Walker had been approached several months ago, prior to initiating the current financial arrangement for the FDN. In addition to the security services provided by KMS, this offshore (Jersey Islands) company also has professional military "trainers" available. Walker suggested that he would be interested in establishing an arrangement with the FDN for certain special operations expertise aimed particularly at destroying HIND helicopters. Walker quite accurately points out that the helicopters are more easily destroyed on the ground than in the air.

[redacted]

Unless otherwise directed, Walker will be introduced to Calero and efforts will be made to defray the cost of Walker's operations from other than Calero's limited assets.

[redacted]

[redacted]

~~TOP SECRET~~ UNCLASSIFIED

- N 12136 #51

*** Reply to note of 04/20/86 15:47

-- SECRET --

NOTE FROM: OLIVER NORTH
Subject: Hey yourself!

Have sent a long PROFS to JMP re the current state of affairs. If you do not have it in the morning pls so advise and I will repeat to you if that can be done w/o the whole world seeing it. Bottom line: earliest we could make trip, if all went well tomorrow is 30 April. This date will slip a day for each day of delay in making the requisite deposit for the items requested. I am not as hopeful in wake of Libyan action. Cave believes that there is a significant internal debate going on inside as to what they should do and we are all concerned that there may be a chance that [redacted] could help the get their hands on the other hostages. Not a good day/

Also not a good weekend. Went to CentAm to try and reassure our friends -- both govts. and resistance that we WOULD get funding thru the Congress. In the four years I have been watching this effort, it was the most depressing session to date. There is great despair that we may fail in this effort and the resistance support acct. is darned near broke. Any thoughts where we can get our hands on a quick $3-5M? Casey is going back to his friends who have given $2M so far in hopes that we can bridge things again, but time is running out along w/ the money. So far we have moved n/c ceiling, have delivered over $17M in supplies and ordnance but the pot is almost empty. Have told Dick to

4 May 87

[redacted]

[illegible] the ship first and then the s/c as a means of containing the
[illegible] Where we go after that is a very big question. How about [illegible]? As you know I have never asked him for help in this regard, believing that he'd be inclined to talk about it. It may now be time to take that risk. Any thoughts? [illegible] regards & our love to Jenny. (We noticed that it was in the Style section - it was a right fine photo) Keep the faith, [illegible]
[illegible]

N 10137

[redacted] :30

[redacted]

2P

-- SECRET --

[redacted]

Chapter 3, Footnote 108

UNCLASSIFIED

3-108

BJW

☑ Letter to Fair ✓ 2210

☐ Memo Re 3d Country ✓

☐ Call Dr Carey Re

[redacted]

1/26/81

Partial

4676

[redacted]

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18 Jun

[redacted]

☐ Mtg w/ A.C.

[redacted]

- Cuban American
- SAB
- Bank works [redacted]

☐ Fraser Sales

☐ Barclays Bank PLC
848 Brickell Ave.
Miami, FLA. 33131
TLX 518783
Acct [redacted]

☐ Carbon flying time
- need to go int Nicaragua
- Only flying inside [redacted]

☐ Tape Recorder / small Cameras / Radios to [illegible]

1/26/88

4677

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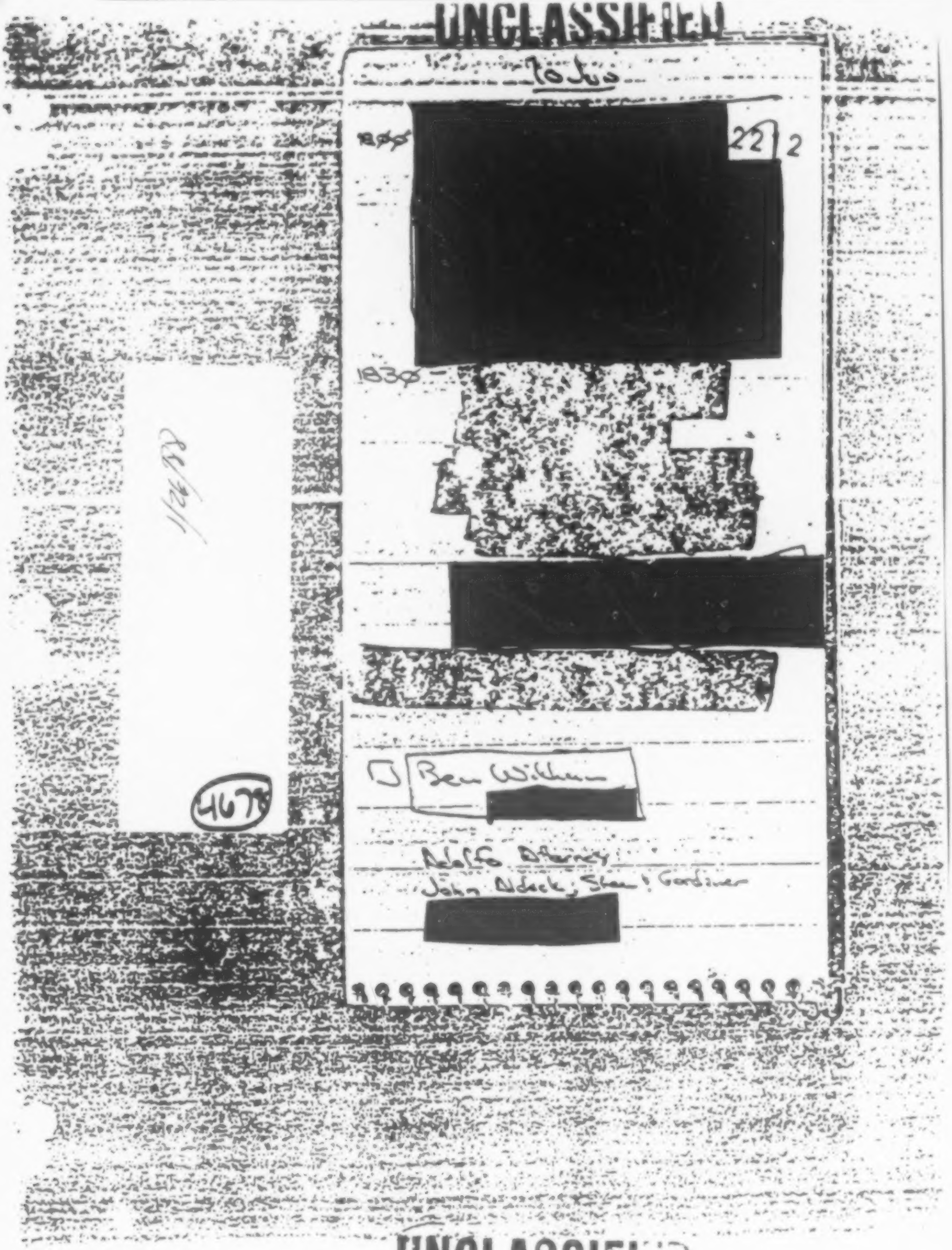

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10 Jul

1800 [redacted] 22 2

1830 [redacted]

[redacted]

[redacted]

☐ Ben Williams [redacted]

Adolfo Dfernez;
John Aldeck; Stan ! Gardiner

[redacted]

11/2/88

4679

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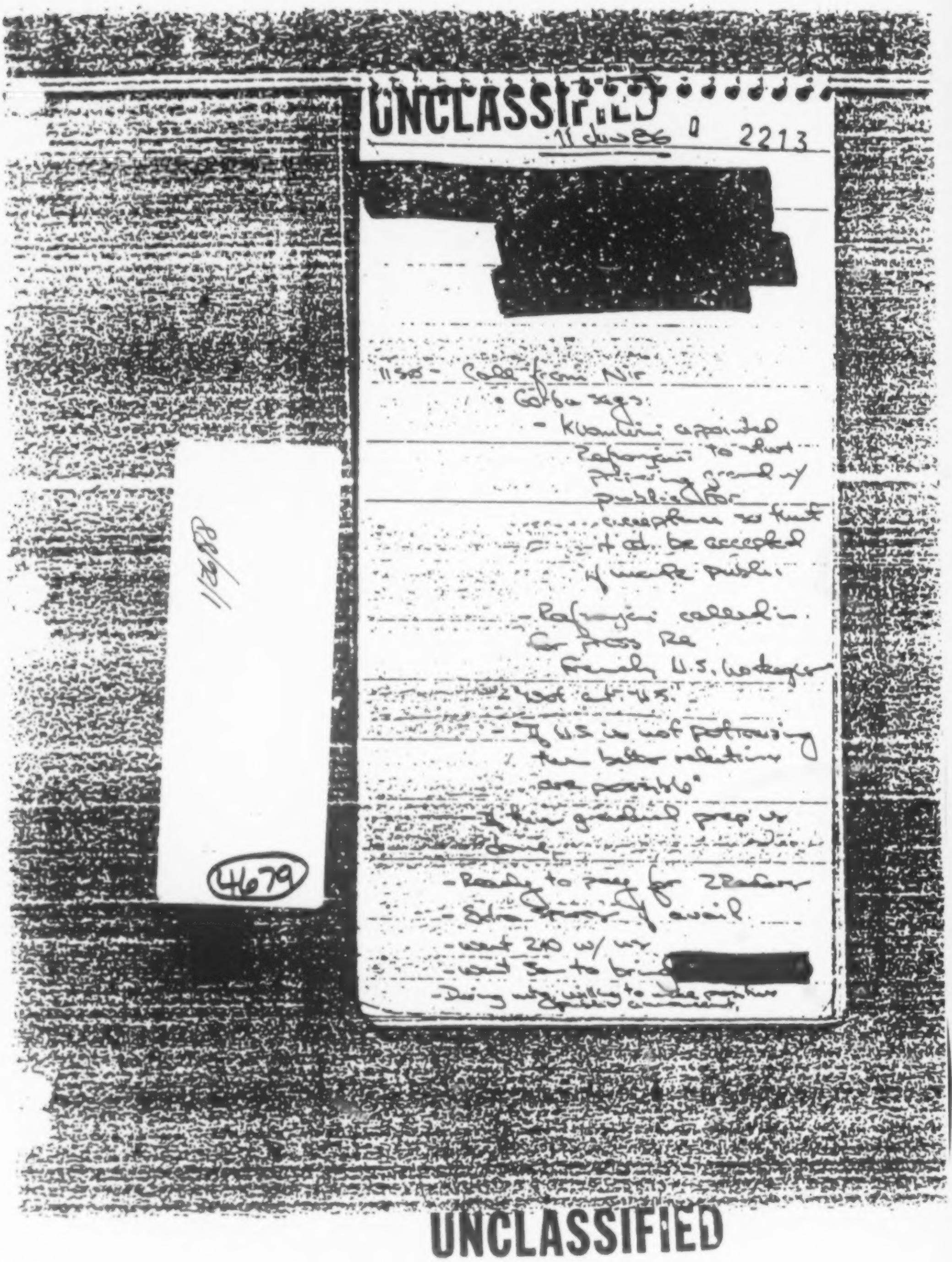

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11 Jun 86 0 2213

[redacted]

1130 - Call from Nir
- Gorba says:
  - Khomeini appointed Rafsanjani to start preparing ground w/ public for acceptance so that it cd. be accepted if made public.
  - Rafsanjani called in for press re French, U.S. hostages
  - 2 not at U.S.
  - "If U.S. is not pressuring then better relations are possible"
  - If this gradual prep is done
  - Ready to pay for 2 [illegible]
  - [illegible] avail
  - want 240 w/ us
  - want 3 to bring [redacted]
  - During mtg willing to [illegible] public announcement.

1/12/88

4679

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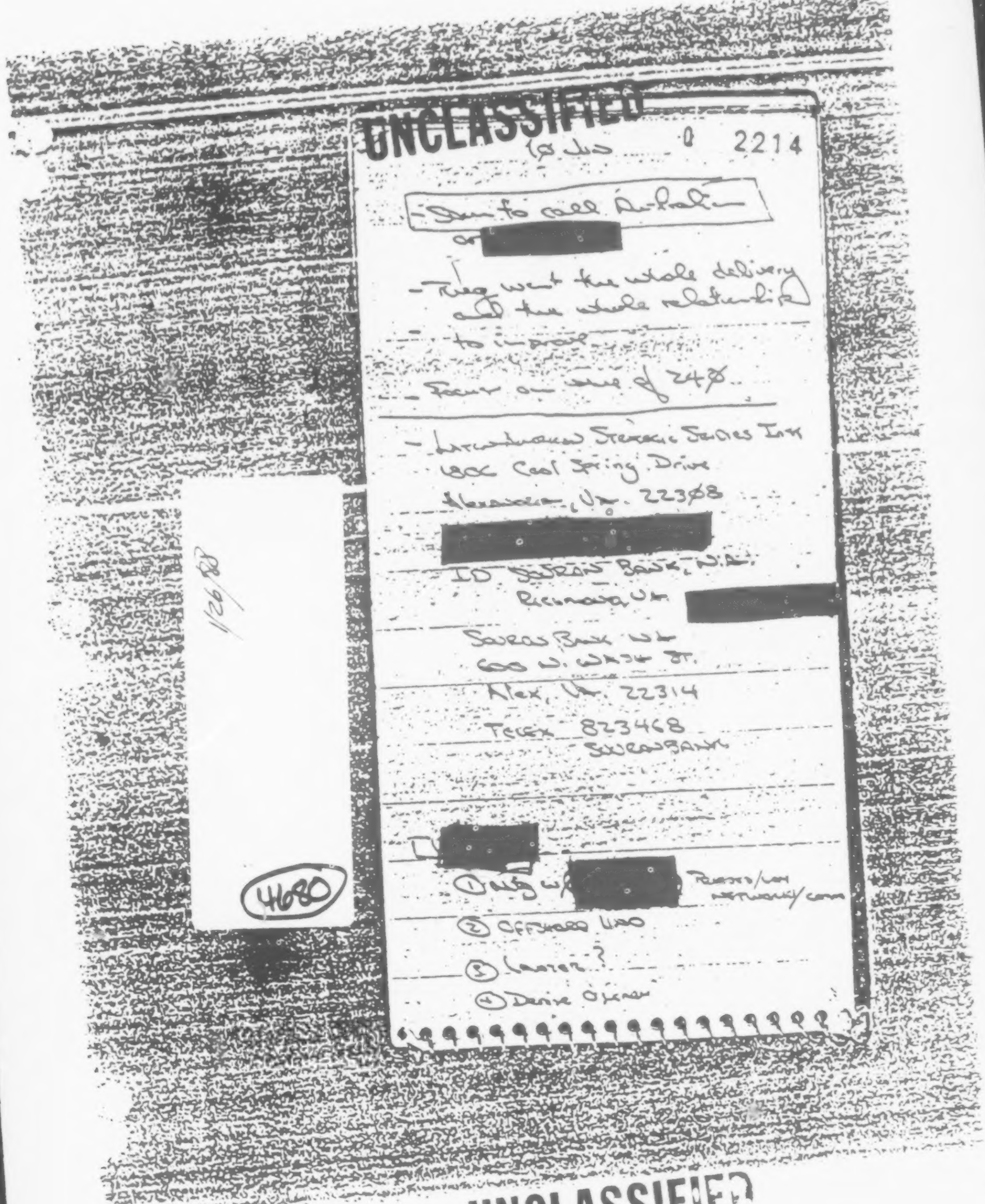

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10 Jun 0 2214

- Sam to call Ar-Rahim
  or [redacted]
- They want the whole delivery and the whole relationship to improve
- Focus on sale of 240
- International Strategic Services Inc
  1800 Cool Spring Drive
  Alexandria, Va. 22308

[redacted]

ID Sovran Bank, N.A.
Richmond, Va. [redacted]

Sovran Bank NA
600 N. Wash St.
Alex, Va. 22314
Telex 823468
SOVRANBANK

[redacted]

① Mtg w/ [redacted] Process/win network/comm

② Offshore Acct

③ Lawyer ?

④ Denise O'Leary

1/26/88

4680

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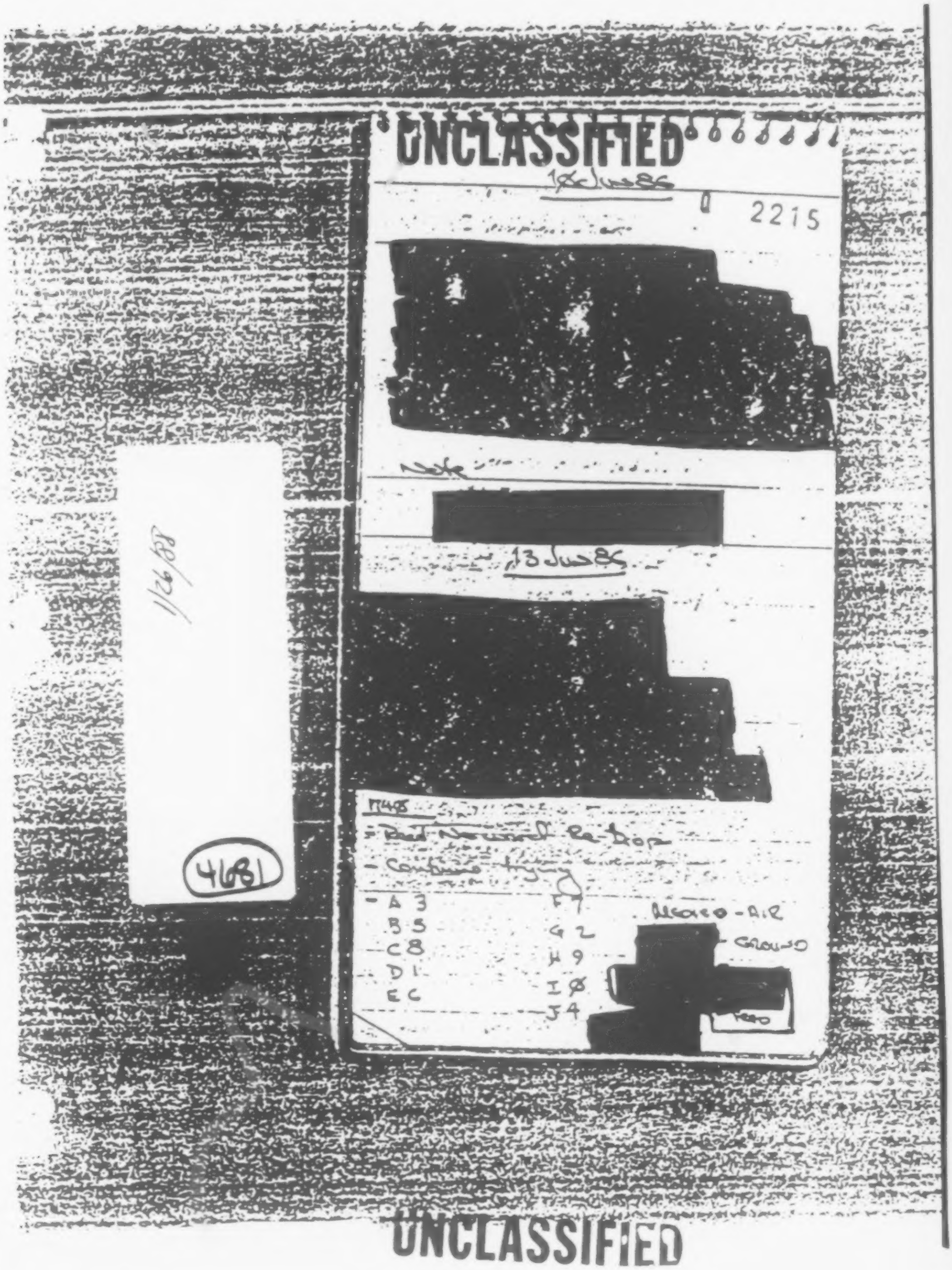

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18 Jun 86

2215

[redacted]

Note

[redacted]

13 Jun 86

[redacted]

1745

- Rad Norwood Re-Dop
- Continue trying

- A 3
B 5
C 8
D 1
E 6

F 7
G 2
H 9
I 0
J 4

Alcaro - AIR
- GROUND

[redacted]

[illegible]

1/26/88

(4681)

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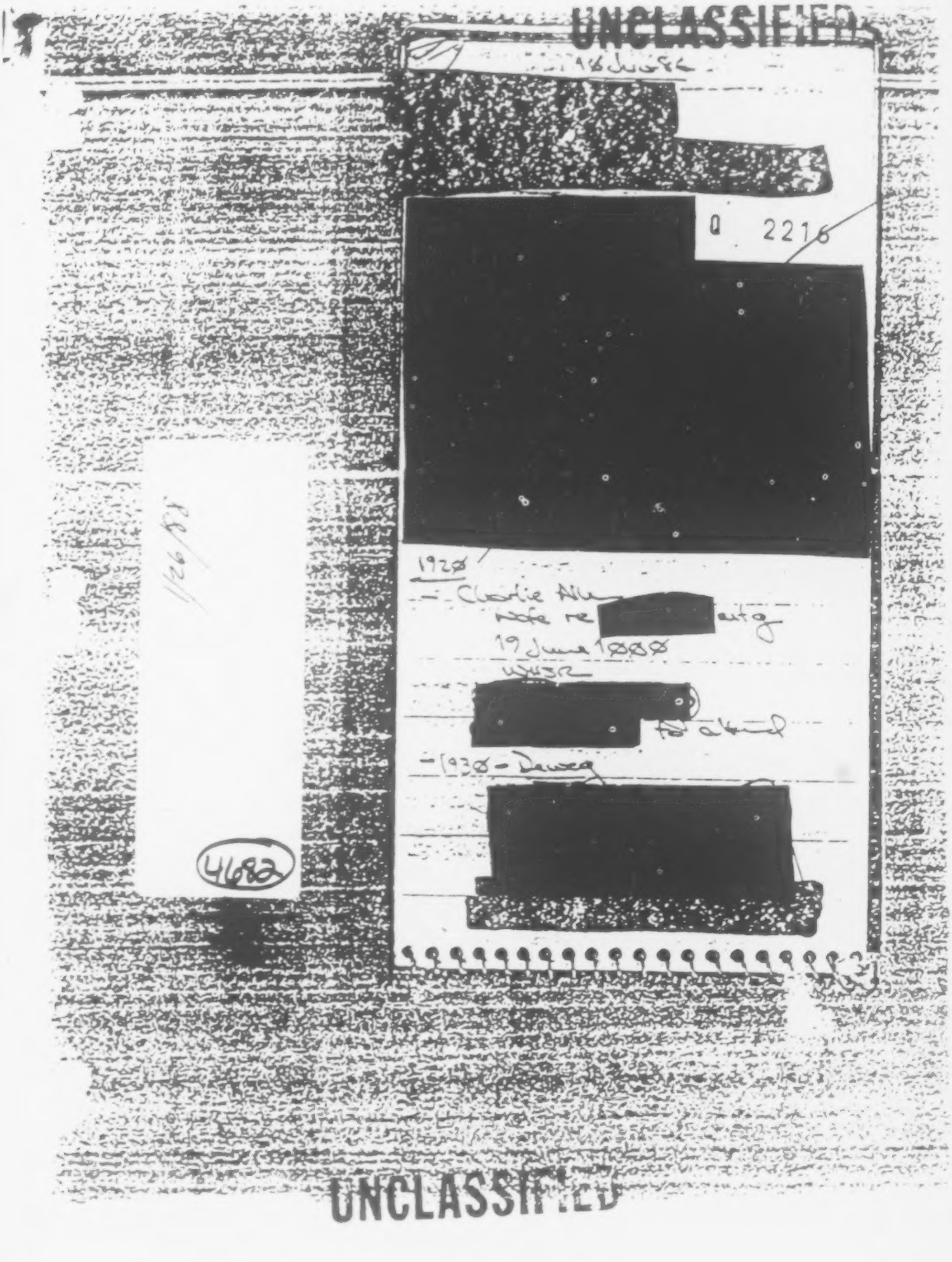

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19 Jun 86

[redacted]

[redacted]

Q 2216

1920

— Charlie Allen
note re [redacted] mtg
19 June 1000
WHSR
[redacted] to attend

— 1930 — Dewey

[redacted]

1/26/88

4682

UNCLASSIFIED

Chapter 3, Footnote 108

UNCLASSIFIED

CREDIT SUISSE CREDITO SVIZZERO
SCHWEIZERISCHE KREDITANSTALT

1211 GENEVE EAUX-VIVES
TEL. 022/36 53 80
25 JUN 86

Unsere Notre Nostro Our REF
ZA 0625-9250-153

TOYCO SA
H 495

DEBIT ADVICE

WE HAVE DEBITED THE ACCOUNT ON THE RIGHT AS PER ORDER OF 25 JUN 86

	US$	500,000.00
CHARGES	US$	8.02

VAL 27 JUN 86	US$	500,008.02
-------------		*************************

Konto Compte Conto Acc No

CURRENT ACCOUNT [redacted]

Zahlungsgrund Motif du paiement Motivo del pagamento Details of payment

ATTN DE MR MARIANO

[redacted] BENEFICIARY

MONZER ALKASSAR

TELEX/TELEGRAM TO
BANCO DE BILBAO
MARBELLA SPAIN TX.77209

Hochachtungsvoll Vos dévoués Con distinta stima Yours truly

SCHWEIZERISCHE KREDITANSTALT
CREDIT SUISSE CREDITO SVIZZERO

Formular ohne Unterschrift Formule sans signature
Modulo senza firma Form without signature

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1 No 7700 1.86 1000

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CLASSIFIED AT TIME OF PUBLICATION.

UNCLASSIFIED 3-122 447

N 37

(ROBINSON) JUNE 10, 1986

DROPBY CSIS BRIEFING

THANK YOU AND GOOD EVENING. IT's AN HONOR TO SPEAK TODAY BEFORE THE MEMBERS AND GUESTS OF THE GEORGETOWN UNIVERSITY CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES -- AN INSTITUTION WHOSE WORK SO DIRECTLY AFFECTS THE SECURITY OF OUR NATION. I WANT TO COMMEND YOUR FOUNDERS, ADMIRAL (ARE-LEE) BURKE AND AMBASSADOR DAVID ABSHIRE, AND YOUR PRESIDENT AND CHIEF EXECUTIVE OFFICER, JOE JORDAN, FOR ALL THEY HAVE DONE TO MAKE THIS INSTITUTION SO WORTHY OF RESPECT. PERMIT ME TO COMMEND, AS WELL, THOSE OF YOU PRESENT TODAY FROM THE PRIVATE SECTOR. IN SUPPORTING C.S.I.S., YOU DO YOURSELVES AND OUR NATION A SERVICE.

UNCLASSIFIED 4684

N1523
12/2/86
KJ

UNCLASSIFIED

N 3739

GREETINGS TO BUD McFARLANE, JIM SCHLESINGER, AND ZBIG BRZEZINSKI -- MEN WHO DEMONSTRATE THAT, IN ITS ESSENTIALS, OUR FOREIGN POLICY CAN INDEED REMAIN BIPARTISAN. BY THE WAY, BUD, THANKS FOR THE INVITATION. AND, OF COURSE, WARM REGARDS TO YOUR HONOREE, ANNE ARMSTRONG, COUNSELOR TO TWO PRESIDENTS, AMBASSADOR TO GREAT BRITAIN, CHAIRMAN OF THE PRESIDENT's FOREIGN INTELLIGENCE ADVISORY BOARD -- NO ONE HAS SET A HIGHER STANDARD OF SERVICE TO OUR NATION THAN ANNE. CONGRATULATIONS, MY FRIEND.

THIS EVENING I WOULD LIKE TO SPEAK BRIEFLY ON A MATTER OF CENTRAL IMPORTANCE TO THE SECURITY OF OUR NATION AND HEMISPHERE, BUT A MATTER, ABOVE ALL, OF CENTRAL IMPORTANCE TO THE CAUSE OF HUMAN LIBERTY. I REFER TO AID FOR THE DEMOCRATIC RESISTANCE FORCES OF NICARAGUA.

UNCLASSIFIED

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N 3740

NOW, I KNOW THAT EACH OF YOU IS A FOREIGN POLICY EXPERT AND THAT YOU HAVE STUDIED THIS ISSUE, EACH OF YOU, IN DETAIL: I VALUE THAT. BUT IN THE COMPLEX OF POLITICS -- IN THE MIDST OF ALL THE TWISTINGS AND TURNINGS -- ONE CAN SOMETIMES DISCERN A MOMENT OF IMPENDING DECISION, A MOMENT TO REDUCE THE ISSUE AT HAND TO THE PLAIN FACTS AND SUBMIT, IF YOU WILL, THE CLOSING ARGUMENT. WITH YOUR PERMISSION; I WOULD LIKE TO SUBMIT THAT ARGUMENT THIS EVENING, BEFORE YOU AND THE NATION.

AFTER THE NEARLY 7 YEARS DURING WHICH THE NICARAGUAN COMMUNISTS HAVE HELD POWER, THERE CAN NO LONGER BE ANY LEGITIMATE DOUBT ABOUT THE NATURE OF THEIR REGIME. THERE IS A BRAVE MAN IN NICARAGUA, A MAN WHO COURAGEOUSLY OPPOSED THE SOMOZA DICTATORSHIP.

UNCLASSIFIED N 3741

LISTEN FOR A MOMENT TO THAT MAN, TO THE WORDS OF CARDINAL OBANDO Y BRAVO, ARCHBISHOP OF MANAGUA, AS THEY RECENTLY APPEARED IN THE WASHINGTON POST: TO CONSIDER THE SANDINISTA REGIME DEMOCRATIC IS, CARDINAL OBANDO Y BRAVO ASSERTS, "...TO IGNORE THE MASS EXODUS OF THE MISKITO INDIANS, WHO, ON NUMEROUS OCCASIONS, FLED IN THE THOUSANDS.... IT IS ALSO TO IGNORE THE DEPARTURE OF TENS OF THOUSANDS OF NICARAGUAN MEN AND WOMEN OF EVERY AGE, PROFESSION, ECONOMIC STATUS, AND POLITICAL PERSUASION. IT IS TO IGNORE THAT MANY OF THOSE WHO ARE LEADERS OR PARTICIPANTS IN THE COUNTER-REVOLUTION WERE ONCE LEADERS OR MEMBERS OF THE SANDINISTA FRONT OR WERE MINISTERS IN THE SANDINISTA GOVERNMENT.

"IT IS TO IGNORE THE LACK OF ANY JUSTIFICATION FOR THE MOST TERRIBLE VIOLATION OF FREEDOM OF THE PRESS AND OF SPEECH IN THE HISTORY OF OUR COUNTRY.

UNCLASSIFIED

N 3742

IT IS TO IGNORE THE PROGRESSIVE AND SUFFOCATING RESTRICTION OF PUBLIC LIBERTIES, UNDER THE COVER OF AN INTERMINABLE NATIONAL EMERGENCY LAW AND THE CONTINUAL VIOLATION OF HUMAN RIGHTS. IT IS TO IGNORE THE EXPULSION OF PRIESTS AND THE MASS EXODUS OF YOUNG PEOPLE ELIGIBLE FOR MILITARY SERVICE..... NONE OF THIS IS TRUE OF A GOVERNMENT THAT HAS THE SYMPATHY AND GENERAL SUPPORT OF THE PEOPLE." I MIGHT ADD THAT NOT LONG AFTER CARDINAL OBANDO Y BRAVO WROTE THAT STATEMENT FOR THE WASHINGTON POST, THE SANDINISTA REGIME CUT OFF ELECTRICITY TO HIS OFFICE -- ONE MORE ACT OF HARASSMENT AMONG MANY SCORES OF SUCH ACTS VISITED UPON HIM.

YET DESPITE THE BRUTAL AND TOTALITARIAN NATURE OF THE SANDINISTA REGIME, THE STRUGGLE FOR FREEDOM INSIDE NICARAGUA CONTINUES; BY THE THOUSANDS, MEN AND WOMEN HAVE MOVED INTO THE COUNTRYSIDE AND TAKEN UP ARMS.

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N 3743

INDEED, TODAY THESE DEMOCRATIC RESISTANCE FORCES NUMBER SOME 20,000 -- FOUR TIMES THE NUMBER OF TROOPS THE SANDINISTAS HAD IN THE FIELD WHEN THEY THEMSELVES SEIZED POWER. IN FULL KNOWLEDGE, THE MEMBERS OF THE RESISTANCE HAVE CHOSEN TO SEPARATE THEMSELVES FROM THEIR FAMILIES AND HOMES, TO LIVE IN CONDITIONS OF IMMENSE HARDSHIP, OFTEN WITH SCANT WATER AND FOOD, AND TO EXPOSE THEMSELVES TO THE DANGERS OF BATTLE. THEY FIGHT TO LIBERATE THEIR COUNTRY FROM A REGIME LOYAL ONLY TO COMMUNIST POWERS. THEY FIGHT FOR FREEDOM.

JUST AS THE MEN AND WOMEN OF THE RESISTANCE HAVE DECIDED WHAT THEY MUST DO, SO, TOO, HAVE GORBACHEV, CASTRO, ARAFAT, AND QADHAFI. SOVIET MILITARY ADVISORS IN NICARAGUA NUMBER IN THE HUNDREDS.

UNCLASSIFIED N 3744

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THE COMMUNISTS HAVE MADE THEIR DECISION; THE RESISTANCE HAS MADE ITS DECISION. NOW WE MUST MAKE OURS. THE CHOICE IS STARK; THE CHOICE IS UNAVOIDABLE. WE CAN HELP OUR NEIGHBORS IN THEIR STRUGGLE FOR FREEDOM. OR, BY DOING NOTHING, WE CAN ABANDON THEM TO A COMMUNIST DICTATORSHIP.

UNCLASSIFIED

N 3745

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IF THE HOUSE CHOOSES TO DENY TO THE NICARAGUAN RESISTANCE THE HELP IT NEEDS AND DESERVES, THIS WILL IN EFFECT GRANT PERMISSION TO THE SANDINISTAS TO IGNORE ANY NEGOTIATED SETTLEMENT AND PURSUE A MILITARY VICTORY INSTEAD.

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UNCLASSIFIED

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N 3750

WHAT IT COMES DOWN TO IN THE END IS THE MATTER OF WITNESS -- OF CHOOSING WHETHER TO BELIEVE THOSE WHOM WE KNOW TO BE PROVIDING US WITH ACCURATE REPORTS ABOUT NICARAGUA OR TO LISTEN INSTEAD TO THE WHISPERING VOICES WITHIN OUR OWN MINDS THAT SAY THERE IS NO TROUBLE THERE, NOT BECAUSE THAT IS THE TRUTH, BUT BECAUSE WE DO NOT CARE TO BE INCONVENIENCED BY THE NEED TO RISK ACTION.

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N 3752

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MY FRIENDS, LET US GIVE HEED TO THOSE IN NICARAGUA WHO, LIKE CARDINAL OBANDO Y BRAVO AND SO MANY OTHERS, SPEAK TO US OF THINGS THEY HAVE SEEN AND HEARD. AND LET US, PRAY GOD, MOVE TO HELP THEM.

THANK YOU, AND GOD BLESS YOU.

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Pages N 10288 to N 10299

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TOTAL

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4685

UNCLASSIFIED 3-124

447

N 37

(ROBINSON) JUNE 10, 1986

DROPBY CSIS BRIEFING

THANK YOU AND GOOD EVENING. IT's AN HONOR TO SPEAK TODAY BEFORE THE MEMBERS AND GUESTS OF THE GEORGETOWN UNIVERSITY CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES -- AN INSTITUTION WHOSE WORK SO DIRECTLY AFFECTS THE SECURITY OF OUR NATION. I WANT TO COMMEND YOUR FOUNDERS, ADMIRAL (ARE-LEE) BURKE AND AMBASSADOR DAVID ABSHIRE, AND YOUR PRESIDENT AND CHIEF EXECUTIVE OFFICER, JOE JORDAN, FOR ALL THEY HAVE DONE TO MAKE THIS INSTITUTION SO WORTHY OF RESPECT. PERMIT ME TO COMMEND, AS WELL, THOSE OF YOU PRESENT TODAY FROM THE PRIVATE SECTOR. IN SUPPORTING C.S.I.S., YOU DO YOURSELVES AND OUR NATION A SERVICE.

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GREETINGS TO BUD McFARLANE, JIM SCHLESINGER, AND ZBIG BRZEZINSKI -- MEN WHO DEMONSTRATE THAT, IN ITS ESSENTIALS, OUR FOREIGN POLICY CAN INDEED REMAIN BIPARTISAN. BY THE WAY, BUD, THANKS FOR THE INVITATION. AND, OF COURSE, WARM REGARDS TO YOUR HONOREE, ANNE ARMSTRONG, COUNSELOR TO TWO PRESIDENTS, AMBASSADOR TO GREAT BRITAIN, CHAIRMAN OF THE PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD -- NO ONE HAS SET A HIGHER STANDARD OF SERVICE TO OUR NATION THAN ANNE. CONGRATULATIONS, MY FRIEND.

THIS EVENING I WOULD LIKE TO SPEAK BRIEFLY ON A MATTER OF CENTRAL IMPORTANCE TO THE SECURITY OF OUR NATION AND HEMISPHERE, BUT A MATTER, ABOVE ALL, OF CENTRAL IMPORTANCE TO THE CAUSE OF HUMAN LIBERTY. I REFER TO AID FOR THE DEMOCRATIC RESISTANCE FORCES OF NICARAGUA.

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NOW, I KNOW THAT EACH OF YOU IS A FOREIGN POLICY EXPERT AND THAT YOU HAVE STUDIED THIS ISSUE, EACH OF YOU, IN DETAIL: I VALUE THAT. BUT IN THE COMPLEX OF POLITICS -- IN THE MIDST OF ALL THE TWISTINGS AND TURNINGS -- ONE CAN SOMETIMES DISCERN A MOMENT OF IMPENDING DECISION, A MOMENT TO REDUCE THE ISSUE AT HAND TO THE PLAIN FACTS AND SUBMIT, IF YOU WILL, THE CLOSING ARGUMENT. WITH YOUR PERMISSION; I WOULD LIKE TO SUBMIT THAT ARGUMENT THIS EVENING, BEFORE YOU AND THE NATION.

AFTER THE NEARLY 7 YEARS DURING WHICH THE NICARAGUAN COMMUNISTS HAVE HELD POWER, THERE CAN NO LONGER BE ANY LEGITIMATE DOUBT ABOUT THE NATURE OF THEIR REGIME. THERE IS A BRAVE MAN IN NICARAGUA, A MAN WHO COURAGEOUSLY OPPOSED THE SOMOZA DICTATORSHIP.

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LISTEN FOR A MOMENT TO THAT MAN, TO THE WORDS OF CARDINAL OBANDO Y BRAVO, ARCHBISHOP OF MANAGUA, AS THEY RECENTLY APPEARED IN THE WASHINGTON POST: TO CONSIDER THE SANDINISTA REGIME DEMOCRATIC IS, CARDINAL OBANDO Y BRAVO ASSERTS, "...TO IGNORE THE MASS EXODUS OF THE MISKITO INDIANS, WHO, ON NUMEROUS OCCASIONS, FLED IN THE THOUSANDS.... IT IS ALSO TO IGNORE THE DEPARTURE OF TENS OF THOUSANDS OF NICARAGUAN MEN AND WOMEN OF EVERY AGE, PROFESSION, ECONOMIC STATUS, AND POLITICAL PERSUASION. IT IS TO IGNORE THAT MANY OF THOSE WHO ARE LEADERS OR PARTICIPANTS IN THE COUNTER-REVOLUTION WERE ONCE LEADERS OR MEMBERS OF THE SANDINISTA FRONT OR WERE MINISTERS IN THE SANDINISTA GOVERNMENT.

"IT IS TO IGNORE THE LACK OF ANY JUSTIFICATION FOR THE MOST TERRIBLE VIOLATION OF FREEDOM OF THE PRESS AND OF SPEECH IN THE HISTORY OF OUR COUNTRY.

IT IS TO IGNORE THE PROGRESSIVE AND SUFFOCATING RESTRICTION OF PUBLIC LIBERTIES, UNDER THE COVER OF AN INTERMINABLE NATIONAL EMERGENCY LAW AND THE CONTINUAL VIOLATION OF HUMAN RIGHTS. IT IS TO IGNORE THE EXPULSION OF PRIESTS AND THE MASS EXODUS OF YOUNG PEOPLE ELIGIBLE FOR MILITARY SERVICE..... NONE OF THIS IS TRUE OF A GOVERNMENT THAT HAS THE SYMPATHY AND GENERAL SUPPORT OF THE PEOPLE." I MIGHT ADD THAT NOT LONG AFTER CARDINAL OBANDO Y BRAVO WROTE THAT STATEMENT FOR THE WASHINGTON POST, THE SANDINISTA REGIME CUT OFF ELECTRICITY TO HIS OFFICE -- ONE MORE ACT OF HARASSMENT AMONG MANY SCORES OF SUCH ACTS VISITED UPON HIM.

YET DESPITE THE BRUTAL AND TOTALITARIAN NATURE OF THE SANDINISTA REGIME, THE STRUGGLE FOR FREEDOM INSIDE NICARAGUA CONTINUES; BY THE THOUSANDS, MEN AND WOMEN HAVE MOVED INTO THE COUNTRYSIDE AND TAKEN UP ARMS.

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INDEED, TODAY THESE DEMOCRATIC RESISTANCE FORCES NUMBER SOME 20,000 -- FOUR TIMES THE NUMBER OF TROOPS THE SANDINISTAS HAD IN THE FIELD WHEN THEY THEMSELVES SEIZED POWER. IN FULL KNOWLEDGE, THE MEMBERS OF THE RESISTANCE HAVE CHOSEN TO SEPARATE THEMSELVES FROM THEIR FAMILIES AND HOMES, TO LIVE IN CONDITIONS OF IMMENSE HARDSHIP, OFTEN WITH SCANT WATER AND FOOD, AND TO EXPOSE THEMSELVES TO THE DANGERS OF BATTLE. THEY FIGHT TO LIBERATE THEIR COUNTRY FROM A REGIME LOYAL ONLY TO COMMUNIST POWERS. THEY FIGHT FOR FREEDOM.

JUST AS THE MEN AND WOMEN OF THE RESISTANCE HAVE DECIDED WHAT THEY MUST DO, SO, TOO, HAVE GORBACHEV, CASTRO, ARAFAT, AND QADHAFI. SOVIET MILITARY ADVISORS IN NICARAGUA NUMBER IN THE HUNDREDS.

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N 3752

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Pages N 10288 to N 10299

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Chapter 3, Footnote 130

FILE: CONTRA [redacted] WHITE HOUSE COMMUNICATIONS AGENCY   PAGE 00001

MSG FROM: NSFH --CPUA   TO: NSOLN --CPUA   06/03/86 15:32:31
To: NSOLN --CPUA

NOTE FROM: FAWN HALL
Subject: Dennis Thomas Meeting on Contra Aid
*** Forwarding note from NSOLN --CPUA   06/03/86 12:06 ***
To: NSFH --CPUA

NOTE FROM: [illegible]
Subject: Dennis Thomas Meeting on Contra Aid
Pls print this on your machine if at all possible.
*** Forwarding note from NSRFB --CPUA   05/30/86 10:36 ***
To: NSRBM --CPUA   JOHN M. POINDEXTER NSJMP --CPUA   JOHN M. POINDEXTER
NOTE FROM: Raymond Burghardt
SUBJECT: Dennis Thomas Meeting on Contra Aid
Meeting was attended by Abrams, Buchanan, Chew, Ball, someone from public liaison, and Bill Perry and me from NSC. Some time was spent bringing everyone up to date on the UNO talks, Contadora, etc. We then agreed on a basic outline of activities. Abrams' office will draw up a written schedule of events to be circulated later this week. Basically it will be as follows:
-- May 29: UNO leaders in Miami announce great success in their unification talks. State/White House make positive comments.
-- June 6: UNO leaders in Washington, meet with Shultz and on the Hill. Same day as Contadora [illegible] event and focused on real issue [illegible] Nicaragua.
-- Approx. June 1 on, with special emphasis from June 9, Public Liaison reenergizes conservative coalitions which have supported us on contra aid. Meetings organized in Room 450, including some presidential appearances, which provide us press footage and lines.
-- June 10: Don Regan and you meet with Michel and Lott.
-- June 11: President meets with four Central American presidents.
-- Week of June 16: Vote in House.
There are other events, including Abrams' congressional testimony next week. We also will need additional high-level meetings with selected Congressmen. They expect [illegible] will be putting together a package acceptable to us and to a sufficient number of moderates after McCurdy returns from Central America on June 9. A major public diplomacy theme will the bad things Nicaragua has done during the period of delay: actions against Miskitos, intransigence in negotiations, new direct Soviet arms shipments, etc.
I raised reprogramming. Will Ball said the message from Cheney was that the votes were not there. Dennis Thomas also was negative, viewing it as a "distraction." The general view was that if a case could not be

Partially Declassified/Released on 5/6/87
under provisions of E.O. 12356
by [illegible] Reger, National Security Council

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ch3 #144

3-144

OFFICE OF THE VICE PRESIDENT
WASHINGTON

N46322

May 14, 1987

TO WHOM IT MAY CONCERN:

The schedule proposal of April 16, 1986 and the briefing memorandum of April 30, 1986, both relate to a 15-minute meeting held on May 1, 1986 with the Vice President. Four points should be made about these documents:

1. I had nothing to do with their preparation and did not see them until a document search was initiated in December, 1986.
2. I cannot account for the fact that the purpose of this meeting, according to these documents, was to discuss resupply of the Contras in addition to the war in El Salvador.
3. The subject of resupply of the Contras was not, repeat not, mentioned at all by anyone in the meeting with the Vice President on May 1, nor had there been any intention to discuss that subject.
4. Since I realized these documents were anomalous, I highlighted their existence in an interview with the staff of the House Permanent Select Committee on Intelligence held on December 17, 1986. Mike O'Neill was one of the staffers present.

Donald P. Gregg

Donald P. Gregg
Assistant to the Vice President
for National Security Affairs

UNCLASSIFIED

1232

[redacted] Released on 22 June 1987
under provisions of E.O. 12356
By B. Reger, National Security Council

OFFICE OF THE VICE PRESIDENT
WASHINGTON

N46323

UNCLASSIFIED

April 30, 1986

BRIEFING MEMORANDUM FOR THE VICE PRESIDENT

Event: Meeting with Felix Rodriguez
Date: Thursday, May 1, 1986
Time: 11:30-11:45 a.m. - West Wing

From: Don Gregg DG

I. PURPOSE

Felix Rodriguez, a counterinsurgency expert who is visiting from El Salvador, will provide a briefing on the status of the war in El Salvador and resupply of the Contras.

III. PARTICIPANTS

The Vice President	Felix Rodriguez
Craig Fuller	
Don Gregg	
Sam Watson	

IV. MEDIA COVERAGE

Staff photographer

UNCLASSIFIED

4/28/86

N46324

UNCLASSIFIED

OFFICE OF THE VICE PRESIDENT
WASHINGTON, D.C.

MEMORANDUM

TO: Don Gregg

FROM: DEBBIE HUTTON/djh

SUBJECT: APPROVED VICE PRESIDENTIAL ACTIVITY

EVENT: Meeting with Felix Rodriguez

DATE: Thursday, May 1, 1986

TIME: 11:30 a.m.-11:45 a.m.

LOCATION: WW

ATTENDANCE: 3

REMARKS REQUIRED: None required

PRESS COVERAGE: Staff Photographer only

MRS. BUSH PARTICIATION: No

DRESS: **GENTLEMEN:** Business Suit **LADIES:** ______

COMMENTS:

		Name	Area Code	Number
CONTACT(s):	(1)	Don Gregg	( )	4213
	(2)		( )	

UNCLASSIFIED

CC:

C. FULLER
F. KHEDOURI
D. GRESS
B. GRAY
J. McENTEE
J. FITZGERALD

M. FITZWATER
S. P. ROSE
T. COLLAMORE
D. RYDER
C. JUDGE
D. VALDEZ

P. PRI
M. Mc R
G. EN D
B. MOO
D. GUGLIELMINO
USSS (2 copies)

T. McBRIDE
R. BARNETT
M. LEWIS
E. CONAWAY
P. BRADY
D. QUICHO

OFFICE OF THE VICE PRESIDENT
WASHINGTON

N46325

April 16, 1986

SCHEDULE PROPOSAL

TO:	DEBBIE HUTTON
FROM:	DON GREGG
REQUEST:	VP Meeting with Felix Rodriguez, a counterinsurgency expert visiting from El Salvador.
PURPOSE:	To brief the Vice President on the status of the war in El Salvador and resupply of the Contras.
BACKGROUND:	The Vice President has met previously with Mr. Rodriguez during his visits to Washington and will be interested in the current information he will be able to provide.
DATE:	Anytime on April ~~22 or 23~~. 28 - MAY 2
DURATION:	15 minutes
LOCATION:	OEOB
PARTICIPANTS:	The Vice President Craig Fuller Don Gregg Felix Rodriguez
REMARKS REQUIRED:	None required.
MEDIA COVERAGE:	Staff photographer
CONTACT:	Don Gregg, 4213
RECOMMENDED BY:	Don Gregg

5/1 or 5/2 per Justine

5/1 - 11:30 - ~~OEOB~~ WW

Document No. N37096

Chapter 3 Tab # 152

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WHITE HOUSE STAFFING MEMORANDUM

3-152

DATE: 6/25/86 ACTION/CONCURRENCE/COMMENT DUE BY: ASAP

SUBJECT: STATEMENTS: Victory of Contra Aid Legislation
Defeat of Contra Aid Legislation

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☐	MILLER - ADMIN.	☐	☐
REGAN	☐	☑	POINDEXTER	☑	☐
MILLER - OMB	☐	☐	RYAN	☐	☐
BALL	☑	☐	SPEAKES	☐	☑
BARBOUR	☐	☐	SPRINKEL	☐	☐
BUCHANAN	☑	☐	SVAHN	☐	☐
CHEW	☐P	☑SS	THOMAS	☑	☐
DANIELS	☑	☐	TUTTLE	☐	☐
HENKEL	☐	☐	WALLISON	☐	☐
KING	☐	☐	DOLAN	☐	☑
KINGON	☐	☐		☐	☐
MASENG	☐	☐		☐	☐

REMARKS: Attached are the proposed contra vote result inserts to the Santini remarks. From these inserts, short paragraphs can be drafted for a written statement. Please let Tony Dolan have your comments ASAP, with an info copy to my office. Thanks.

(4686)

RESPONSE: Change 4th ¶ to "Defeat" speech per conversation w/ Dolan/Chew/Thomas Tuck —

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David L. Chew
Staff Secretary
Ext. 2702

UNCLASSIFIED

(Gilder)
June 25, 1986
11:30 a.m.

PRESIDENTIAL STATEMENT: VICTORY OF CONTRA AID LEGISLATION
WEDNESDAY, JUNE 25, 1986

The vote today in the House of Representatives signals a new era of bipartisan consensus in American foreign policy. I want to congratulate all those who voted to restore this spirit of bipartisan cooperation on foreign policy issues, a spirit that has served America so well through the perils of the postwar era. Once again, members of both parties stand united in resisting totalitarian expansionism and promoting the cause of democracy.

As we approach the celebrations of our own Independence Day, we can be proud that we as a people have embraced the struggle of the freedom fighters of Nicaragua. Today, their cause is our cause. With our help, the people of Nicaragua will win their struggle to bring democracy to their land, remove the threat to Mexico and our own southern borders and restore again the prospects of peace -- and the chance for a better future -- to our hemisphere.

The cause is freedom, the cause is just, the cause will triumph.

Again my thanks to all those who labored so hard on this legislation.

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(Gilder/ARD)
June 25, 1986
10:45 a.m.

PRESIDENTIAL STATEMENT: DEFEAT OF CONTRA AID LEGISLATION
WEDNESDAY, JUNE 25, 1986

The vote today in the House is a setback for peace and democracy in Central America. As I said yesterday in my speech to the Members of the House and the American people, delay is exceedingly costly. While we stand locked in debate, hope for freedom and democracy in Nicaragua is jeopardized, and the Soviets pursue their strategy to turn that country into a staging base for Communist terror and subversion throughout the Americas.

I want to emphasize to our supporters in the House, and in the Senate, and to the freedom fighters most of all: This setback is only a setback, this is not the end. We will never stop, never slacken in our support of the freedom fighters, until democracy triumphs in Nicaragua, and peace comes to Central America. I am confident of freedom's final victory in Nicaragua.

We must not deceive ourselves: the danger to our south will not vanish if we close our eyes; it will only get worse, much worse. Nicaragua is another Cuba on the American mainland, the leading wedge in an effort to destabilize our democratic friends and neighbors.

I hope that as this bill proceeds to conference, the House conferees will keep one thing foremost in their minds -- the grave threat posed by the Sandinista regime to the case of human rights, economic development, and peace in Central America. As we enter the conference, we must leave our partisan differences outside the door. On this issue we must not be Democrats or

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Republicans, just Americans, united in our commitment to freedom and our overriding concern for the national security of the United States.

I call on Democrats and Republicans alike to join in the support of freedom and peace in Central America, to come together to re-establish the bipartisan consensus in American foreign policy -- a consensus that has served us so well in this post-war era.

The cause is freedom. The cause is just. The cause will triumph.

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(508)

UNCLASSIFIED [redacted]

Chapter 3, Footnote 158

N 18251

5/6/87

[redacted]

*LE: JULOO [redacted]O WHITE HOUSE COMMUNICATIONS AGENCY [redacted]

[redacted]

07/26/86 15:19:07

*DG FROM: NSJMP --CPUA TO: NSOLN --LINK
*: NSOLN --CPUA

-- Reply to note of 07/26/86 15:55 -- ~~SECRET~~ --

NOTE FROM: JOHN POINDEXTER
Subject: PRIVATE BLANK CHECK
I did not give Casey any such guidance. I did tell Gates that I thought the covert effort should be phased out. Please talk to Casey about this. I agree with you.
<< PRIVATE BLANK CHECK

[redacted]

[redacted]

[redacted]

[redacted]

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[illegible] 160

KL-U3 - [illegible]

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3-160

10000HRS Local [redacted] 07-11-86.

1. NVG tested and work better one we used.

2. Caribu NR1 prop tools did not arrive 7/10 but should be here Monday. AC syst one phase failed. Lots of improper wiring. Need AC for instruments for run. Need zone 1 fire warning. ETIC depends on WX, further probs with wiring, work needed on NR2.

3. PIO recommend fly to MIA or Dothan for Comm/Nav and Iran.

4. Drops 1313N 8440W containing 3 pallets boots, 3 pallets 81MM morters and ammo plus small ammo, 5 pallets medical, clothing and small ammo. We put it right on the lights and DZ reception confirmed.

[redacted] ////////

--From Max--

1. If you wants to know why we run out of money, let me just tell you. The telephone bill of only one house, the one from the So. Africans, close to 2,000 USD with calls to England, Germany, Kuwait, South Africa, and others. There is one call to England for 55 minutes costing 1,375.0 [redacted] We have not receive yet the bills from the other houses. Pls send more money.

FIN

4588

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under provisions of E.O. 12356
by B. Reger, National Security Council

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1130HRS L[redacted]07-11-86.

1. [redacted] working on planning for drop requested by [redacted] First of a [redacted]ries. Estimated date and time will be Sunday 0445HRS local, refueling at [redacted] at 0545HRS local.

2. In order to fulfill [redacted] request we need anti-biotic/wound-related, anti-malaria, anti-amoeba/parasite, vitamins, syringes, mosquito repelents/sticks, more one-man-pack/uniforms, rations, cordobas, parachutes.

3. First drop will be done with ammo. and uniforms only, because nothing else available but inform Goode that the items in No. 2 as important as ammo. for ground forces.

4. [redacted] mad at us for long over due delivery his repeater. [redacted] took specs with him over 45 days ago.

5. [redacted] was informed negotiation for [redacted] did not go through. Request original end-user [redacted]

BT

4589

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under provisions of E.O. 12356
by [illegible], National Security Council

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From Bob

112000ZJUL86

construction and
Can cover expenses if no surprises

1. Pls le[redacted] know how money works out. Also how construction project i[redacted]gressing. Floor is well done.. roof being worked on now.. [illegible] (W)

2. I will work the repeater problem here.

3. I will get wi Goode asap on medicine.

[illegible]

4. Pls check with [redacted] for medicine called Greisenfulvin, which is supposed to be an acceptable substitute for other Mount Lep medicine.

5. Inform So. Afcs. that they are responsible for this phone bill. If they don't pay we must remove the phone and advise [redacted] Will do but [illegible] pay bill now.

* 6. Will work on end-user document asap.

7. I am still not clear on where the rest of our 109 parachutes are. Did we ever get them? I need an accounting as to where we use them. This important for future reference. 39 [illegible] we will buy, [illegible]

8. Pleased with outcome of North missions.

9. For So. misns. we must be careful about flying back into the same drop area as before. If we are not we will be met by enemy ground or air..Hind..reception party. Pls give me a difinitive sched. when available. Will send sched after discuss w/ [redacted]

9. Get no. 1 Bo flying then we can discuss whether or when to get other work [redacted]. If we get Toad back to you Tues. we will have more options. [redacted] have some flying capability now..

Bob

BT

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1000 hrs L[redacted]07-13-86. 1.-HAVE EQUIP TO JURY RIG ONLY ONE MORE DROP FROM [redacted] NEED IMMED NEXT 30 PALLETS, 180 A-7A STRAPS, 120 CHUTES, 1 ROLL 80LB COTTON TAPE, 5 BO TAINER BANDS, 36 1 HOUR CHEM LITES, 6 ROLLS 2 INCHES TAPE. DITTO: FOR WEEK BUT WITH 70 CHUTES.[redacted] //NEXT///1.-C-7 RETURNED FROM OPN. 2;- STRONG HEAD WINDS, ARRIVED DZ 1132Z, NO LIGHT PATTERN/ DAY-LIGHT/. DROP MADE[redacted] THIS IS 1 ½ MILES NW FROM ORIGINAL DZ, PEOPLE WERE SEEN IN A/O APPROACHING BUNDLES, ORIGINAL DZ PARTIALLY POPULATED, 3.-CREW REPORTED LOOSING OIL PRESSURE ON WAY IN. DELAY [redacted] DUE LOW OIL CONDITION. C-7 BEING CHECK, 4.-DURING OPN, NO COMMO WITH A/C SINCE C-7 HF RADIO NOT WORKING. FIN

[illegible]

1600HRS LOCAL 07-13-86. 1.-NR1 ENGINE ON NR2 C-7 USED 19 GAL OIL IN 7 HRS 20 MIN FLT DURING SAT NITE OPN. LANDED FEATHERED MROC DUE LOW/10 LB. OIL PRESS AND HIGH TEMP. SERVICED WITH 14 GAL AND RETURNED [redacted] WHERE 5 MORE REQUIRED. MAKING METAL/ALLOY/AT EXCESSIVE RATE. [redacted] ADVISES HIS OPINION AT LEAST ONE PISTON FAILING AND OIL SYSTEM CONTAMINATED. PENDING BORE-SCOPE EXAM HE CONSIDERS ENGINE UNSAFE FOR FLT. I AGREE. PLS ADVISE [redacted]

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by B. Reger, National Security Council

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1000 hrs l[illegible]07-13-86. 1.-HAVE EQUIP TO JURY RIG ONLY ONE MORE DROP FROM [redacted]
NEED IMME[illegible]ENT 30 PALLETS, 180 A-7A STRAPS, 120 CHUTES, 1 ROLL 80LB COTTON
TAPE, 5 BO[illegible]TAINER BANDS, 36 1 HOUR CHEM LITES, 6 ROLLS 2 INCHES TAPE.
DITTO FOR [illegible]WEEK BUT WITH 70 CHUTES. [redacted] ///NEXT///1.-C-7 RETURNED
FROM OPN. 2[illegible] STRONG HEAD WINDS, ARRIVED DZ 1132Z, NO LIGHT PATTERN/
DAY-LIGHT/. DROP MADE [redacted] THIS IS 1 ½ MILES NW FROM ORIGINAL DZ,
PEOPLE WERE SEEN IN A/O APPROACHING BUNDLES, ORIGINAL DZ PARTIALLY POPULATED,
3.-CREW REPORTED LOOSING OIL PRESSURE ON WAY IN. DELAY [redacted] DUE LOW
OIL CONDITION. C-7 BEING CHECK, 4.-DURING OPN, NO COMMO WITH A/C SINCE C-7 HF
RADIO NOT WORKING. FIN

[illegible] [redacted]

1600HRS LOCAL 07-13-86. 1.-NR1 ENGINE ON NR2 C-7 USED 19 GAL OIL IN 7 HRS 20 MIN FLT DURING SAT NITE OPN. LANDED FEATHERED MROC DUE LOW/10 LB. OIL PRESS AND HIGH TEMP. SERVICED WITH 14 GAL AND RETURNED [redacted] WHERE 5 MORE REQUIRED. MAKING METAL/ALLOY/AT EXCESSIVE RATE. [redacted] ADVISES HIS OPINION AT LEAST ONE PISTON FAILING AND OIL SYSTEM CONTAMINATED. PENDING BORE-SCOPE EXAM HE CONSIDERS ENGINE UNSAFE FOR FLT. I AGREE. PLS ADVISE [redacted]

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under provisions of E.O. 12356
by B. Reger, National Security Council

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1120HRS Local [redacted] 07-14-86. [illegible]

1. At this moment the mechanics are checking on: A/oil leak. 3/prop lever. [illegible]oroscoping the engine for aluminum contamination of oil system.

2. I believe that prop lever and oil system can be corrected quickly, but contamination is questionable until boroscoping performed. This for NR2 Caribu. Shutt advises that with parts, NR1 Caribu operational within four days. Sorry late.

BT

Buzz note:

We just learned, there is no bore-scope at the airbase, Buzz roquest you send a bore-scope on C-123. Comp will ck SAT; [illegible]

FIN.

4593

1/26/87

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1040HRS Local [redacted] 07-15-86.

1. Need for 2 ea. 55 gals. drums 120 oil non-detergent for C-7. [redacted] hav[illegible]n available for us. We must purchase comercially at approx 350.00 USD each. [redacted] has cash to buy only one unless he uses construction money.

2. Reuqest you send as many as possible on C-123 and he will buy one comercially.

3. Pls send more cash for rest of month expenses.

4. For your info, balance fuel acct with Air Force is 16,088.00 dollars of $30K as of today. Note: Cooper also had $15.K cash for fuel .. Need an accounting.

FIN

1.26.88

4594

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Good Morning--FYI--

1. A/C [redacted]-Maule-HP-821-Number 1 BOO-HP-822-Number two BOO-HP-82[redacted]er 1 Centruy-HP-824-Number Two Century-HP-825. ---Jim awa[redacted] tail numbers...

2. HP-824 work proceeding on schedule-Eng R/U Sunday????

3. DOO and DOM in place Sunday for R/U-A/C will depart Monday if OK..

4. HP-824 will be weighed-WT reduction still in progress-our mechanic-no additional cost.

5. If no hitch-Mgr-Me will be in Tucson Sunday with mechanic-CP-[redacted] [redacted] will meet us there.

6. Insurance info coming-FMI and[redacted]-SAT acct-need to know who will provide funds for purchase-here or your area????

7. Registration apparently on track...US N674JK-South-HP-825. This is just a trial exercise to determine if I am qualified to operate this machine no comments please other than positive..

1/26/88

(4595)

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0700HRS Local 07-15-86.

1. So. Afric[redacted] confronted with tel. bill, did not pay but sent letter to you. Claims some calls were not theirs. Our experience, tel. bills are very accurate here.

2. Our budget for July US $19,479.00 as follows:

A/ Rent house 1 US 700.00

B/ Rent house 2 US 500.00

C/ Rent house 3 US 800.00

D/ Rent house 4 partial official use -June- US 500.00

E/ Rental 3 vehicles US 400.00 each total US 1,200.00

F/ Gasoline, repairs for cars US 1,800.00

G/ Warehouse salaries US 900.00

H/ Food all houses personnel US 3,500.00

I/ Telephone houses -average- US 1,500.00

J/ Electric power US 150.00

K/ Salaries drivers, maids US -9- US 1,200.00

Sub Total US 12, 750.00

L/ Travel expense for [redacted] US 1,000.00

M/ Travel Expense Max to D.C. US 242.00

N/ Airfare Max[redacted]Mia-DC US 650.00

O/ Misc ope[redacted] expenses US 1,000.00

P/ Unexpect[redacted]ill house 2 US 1,837.00

R/ Special [redacted] unexpected US 2,000.00

Grand Total US 19,470.00

4596

At this time[redacted]has around US 500.00 left on regular month budget.

3. besides this budget we must keep in hand an emergency contingency fund US 10,000.00 for following emergencies and will not be used unless authorized by you.

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or aircraft if several opns goes into [redacted]

om r sickness of any of our people for hospital expense or

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ient of any of our [illegible]icles.

emergency local purchase that might come up.

. authorized to bring in MR2 C-123.

1 26 8D

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003'

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1500 Hours J[redacted]16.

1. Tomorrow,[redacted]lanned drop cancelled although A/C crew wanted to repeat it with C7 in [redacted]onditions it is and at daylight.

2. For refueling stop[redacted]requests aircraft crew wear Nomex light suits, no insignias needed. Carry only side arms, no M-16S. Take enough money to pay for fuel, as last time, and reimburse for 18 gallons oil purchased last Sunday.

3. Text of[redacted]message on Plantation. Please, repeat, please, do not allow any activity on Elena. [redacted]

4. [redacted]informs me South Africans refuse to pay telephone bill, claim is not theirs. They are sending you a letter.

5. Left[redacted]money to pay for construction and infrared lights to be purchased for ground forces in South. I paid for last Sunday refuel. Money[redacted]requesting is for near future operational expenses.

L26'78

[redacted] 4598

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100 hours, 24 July L - [redacted] requires from now on that all personnel from our project file a personal data form with professi[redacted] qualification, duties here etc...He will personally review [redacted] case to authorize base ID.

2. He [redacted] notified when individual is no longer working here and his [redacted] ID returned.

3. He must be informed on arrivals and departures of personnel. [redacted]

4. He was concerned with professionalism on the pilots when he asked at SAT if C123 was tested and air worthiness of the AC certified, he was told the test flight will be performed in route [redacted] with plane fully loaded, [redacted] A/C had undergo extensive maintenance. Result it returned because of engine failure and we were told one more week to repair.

5. Max and Steve met with group down there and explained the situation. Max waiting for Cooper to get there so he can meet with [redacted]

6. Max says from now on he will only be liason and not problem solver.

4599

1/26/88

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(SECRET)

Part 1 of 2.

FYI all personnel barred from site [redacted] with exception of 3 mechs-1 [redacted] Began Monday last.

2.Maule [redacted] Aroute [redacted] Max, unknown, [redacted]. Max meeting someone.

3. [redacted] required all personnel to fill in a questionaire-in Spanish - plus a photo. All have complied with requirement.

4. [redacted] declared PNG by virtue of his refusal to have photo taken. Erroneuously informed that photo was for an ID. In fact for item 3 a misunderstanding. Left my location this AM.

5. All 3 Britts-I repeat all 3 are PNG period. Behaviour during early hours of the AM apparent reason. Personal effect stored house 2. Suggest you enquire dispo. Number 2 now occupied by our personnel.

6. In my judgement reason for current problem.

7. Max was rebuffed recently when in your location. Resents same. [redacted] Create problems. Ignores needs of clients. Real or otherwise. Has been completely misinformed by someone regarding parts supply, most everything. This confirmed by Seession Friday eve day of my return..

KB

[redacted] 4600

1.26.88

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[illegible] 1. FOLLOWING IS OUR RECOMMENDED APPROACH TO DISENGAGE FORM [illegible] CONTACT STEELE TODAY AND INFORM HIM. B. RALPH TALKS TODAY TO [redacted] TO CHECK FEASIBILITY OF A FEW MORE DROPS IN SOUTH. C. RALPH GOES [redacted] ASAP AND MEETS WITH STEELE AND THEN [redacted] [redacted] POINT IS, DUE TO SECURITY CONSIDERATIONS/I.E. MAX/, WE CAN NO LONGER OPERATE [redacted] MAXS DEMANDS AND THREATS HAVE RESULTED IN THE CORPORATE LEADERSHIP DECIDING TO WITHDRAW. D. WITHDRAWAL INCLUDES ALL [illegible] ORDNANCE [redacted] [redacted]. E. NEGOTIATE WITH [redacted] RE FUTURE USE FOR [redacted] SUGGEST CIA [illegible] IN CONJUNCTION WITH DEA. [illegible] WILL [illegible]HATEVER IS NECESSARY TO [illegible] STATE[illegible]E WILL USE SAT TO HELP [illegible]USE OF[illegible]TS. 2. ALTERNATIVE WOULD BE TO MOVE TO [redacted] BUT IT IS [illegible] UNABLE DUE TO COLERO ATTITUDE AND [illegible] DEARBORN. JACK. HEINE. [illegible] HAVE TO WORK OUT

Second to North

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[illegible] IN COORDINATION WITH GROUP THAT

[illegible] TO [redacted] THURS. PLS ADVISE

[illegible] COMMENTS ASAP. RGDS DICK BT.

1/26/82

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MAP OC362

DENIED IN
TOTAL

4602

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[illegible] CURRENT PLAN TO HOLD BOTH [illegible] MIAMI. STORY IS WE ARE WAITING FOR ARRIVAL OF MEDICINE SHIPMENT BEFORE WE [illegible] THE A/C SOUTH. LANGTON CAN COVER THEIR PRESENCE AT SAT BECAUSE HE IS A BROKER AND IS PREPING THE A/C FOR SALE. THIS SHOULD BUY US THE TIME TO GET THE MAJOR PLAYERS BACK IN POSITION AND FIRM UP WHAT EVER NEXT STEP YOU WISH TO TAKE. RALPH WILL MAKE CONTACT [redacted] AND IS AVAILABLE TO YOU FOR OTHER ACTION. WHEN EVER YOU THINK APPROPRIATE, RALPH CAN BRIEF LANGTON ON REAL STORY AND WHAT TO EXPECT NEXT.OR, IF YOU WANT TO WAIT I CAN DO THE BRIEFING. AFTER RALPH [redacted] TALK SUGGEST RALPH GO TO MIAMI TO TALK WITH MAX AND SAT TO SUPPORT OUR STORY. [redacted] CAN SUPPORT YOU FROM THERE. BOB BT.

4603

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2

[illegible] RETURNED HERE
[illegible] IN EXCELLENT SHAPE. 3.
[illegible] SCHEDULED TO DEPART MIAMI ON
[illegible] 4. A/C WAS PLACED
[illegible] RAPHAEL-OSTENSIBLY WAITING
FOR [illegible] SUPPLIES. 5. MAX WAS IN
[illegible] FOR WHATEVER REASON AND REQUESTED.
A RIDE BACK ON A/C. 6. SUNDAY AFTERNOON
RAPHAEL CALLED AND INFORMED ME THAT WE
NO LONGER HAD THE BLESSING OF THE US
[illegible] AND WOULD BE DOWN MONDAY TO CLOSE
THE [illegible], A/C WOULD REMAIN MIAMI. 7.
[illegible] STEVENSON INFORMED [redacted] THE
A/C WAS RELEASED FOR AN 11 AM DEP MON.8.
[illegible] BULKED OUT PLUS TWO-MAX
[illegible] TYPE. CARGO MOSTLY FOR US.9.
APPARENTLY RAPHAEL ACCUSED MAX OF
[illegible] C. DID NOT COME MY LOC.10.
[illegible] [redacted] MYSELF HAD TWO MEETINGS
[illegible] THE EVENTS. MAX ASKED FOR A
[illegible] TO OUTLINE THE NEED FOR
[illegible] AS A GROUP-ALL AGREED
[illegible] THEY COULD. 11. 823 MADE

13682

4604

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[illegible] FROM [redacted] INSIDE AND ALONG
[illegible]ER. [redacted] VERY THANKFUL FOR OR
[illegible]. 12. WAREHOUSE IN PROCESS OF
[illegible] FOR USE. 13. RAMP AREA
[illegible]SOLVED TODAY???HAS A
[illegible] IN FRONT OF
WAREHOUSE-WAS PLACED THERE BY MISTAKE.

1/26/88

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From Langton 1500, 6 Aug 86

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[redacted]

[illegible] MOVEMENT OF THE TOAD

[illegible] RECEIVED A PHONE CALL FROM
[illegible] STEVENSON WHO SAID THAT -MAX- WAS IN
MIAMI AND GAVE THE ORDER TO MOVE THE
TOAD [illegible]. STEVENSON HAD BEEN TOLD
NOT TO MOVE THE A/C WITHOUT PERMISSION
BY YOUR OFFICE VIA COOP OR MYSELF
HE TOLD MAX WE WERE WAITING FOR MEDICINE
THAT WAS TO BE READY MON/TUES MAX SAID
THE A/C WAS VITAL ASAP AAND THE MEDICINE
WOULD NOT BE READY UNTIL WED AND THAT
THE A/C HAD TO MOVE. STEVENSON THEN
CALLED ME FOR DIRECTION. I WAS UNABLE TO
CONTACT ANYONE FROM YOUR OFFICE AND THUS
RELEASED THE A/C WITH THE THOUGHT THAT
WE WOULD HOLD IT FROM OPERATING UNTIL
[illegible] TO RELEASE IT, ALSO I HAD BEEN
INFORMED [redacted] WEEK THAT THERE WAS GOING
[illegible] TELL WITH BOTH THE A/C
THIS WEEK SINCE TOAD TWO WOULD NOT
BE AVAILABLE I FELT ONE WAS BETTER THAN
NONE. IN VIEW OF OUR CONVERSATION THIS
MORNING I SUGGEST WE BRING THE TOAD BACK
[illegible] THE MEDICINE AND THEN HOLD IT

?

4605

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00355

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[illegible] STRUGGLE IS [illegible] STEVENSON IS NOT HERE NOW TO [illegible] IF [redacted] WAS ON BOARD OR [illegible] TOLD ME AFTER THE A/C LEFT [illegible] [redacted] SHOWED UP AND WE HAD NOT PREPARED A MEAL FOR HIM SINCE WE DID NOT KNOW HE WAS GOING AND SINCE WE [illegible] SOME PROBLEMS LAST TIME HE WAS IN TOWN I DIDNT WANT TO DO IT AGAIN.

LET ME KNOW IF YOU WANT A STATEMENT FROM STEVENSON BT

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in Corp 7 Aug retransmitted to Glade COPY

UNCLASSIFIED

~~SECRET~~

FYI. 1. THE FOLLOWING NUMBERS ARE THE D.Z.S. [redacted] TWO DROPS..2ND DROP INBOUND-RECEIVED SPORADIC 37MM AAA WHEN CROSSING A ROAD. 31 [redacted] 3. ALL DROPS HIT DZ AND RECEIPT OF CARGO CONFIRMED BY RADIO. 4. HAVE LOCATED A POSSIBLE FACILITY IN MCALLEN. TX FOR CARIBOU. DOTHIN, ALA. HAYES AVIATION ONLY SERVICED THE C123KS. NOW....ONCE AGAIN WE HAVE BEEN DENIED ACCESS TO THE AIRPORT-PILOTS AND MECHANICS. 6. LATE LAST NIGHT [redacted] INFORMED ME THAT [redacted] PUT THE AIRPORT OFF LIMITS UNTIL FURTHER NOTICE. 7. THIS MORNING [redacted] WAS ASKED TO MEET WITH [redacted] AND RECEIVE SOME PAPERS AND POSSIBLY SOME INFORMATION REGARDING THE ORDER. 8. THIS AFTERNOON [redacted] AND I WILL HAVE A SHORT MEETING WITH [redacted]. MAX IS NOTICEABLY ABSENT IN PASSING ON INFO TO ME. [redacted] IS NOW THE MOUTHPIECE APPARENTLY. 9. FROM BOB..SUSPECT [redacted] HAS BARRED US FROM BASE TO KEEP ASSETS THERE. TOLD COOP TO TELL HIM HIS ONLY INTEREST FOR NEAR FUTURE IS TO ASSURE A STRONG CAPABILITY TO SUPPORT THE MISSION. THIS REQUIRES US TO RETURN THE C-123 TO P/U SOME BADLY NEEDED MEDICINE AND IS BEING DONE AT THE DIRECTION OF THE OWNERS AND DIRECTORS. THIS SHOULD BE CONFIRMED BY [redacted] ALSO HE IS RETURNING THE C-7 BECAUSE IN HIS PROFESSIONAL JUDGEMENT THE A/C IS NOT SAFE FOR CROSS BORDER WHICH IS WHAT HE IS THERE FOR. HE WILL. IF ALLLOWED TO SPEAK. SAY THAT HE UNDERSTANDS THAT [redacted] HAS EXPRESSED SOME CONCERN IN THE PAST ABOUT THE PROFESSIONALISM OF OUR PEOPLE AND THIS ACTION SHOULD SATISFY

1545

Partially Declassified/Released on 6 Jul 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

COPY

UNCLASSIFIED

HIM THAT WE DO HAVE GREAT CONCERN FOR THE SAFETY OF OUR CREWS AND EQUIPMENT. MTG SHOULD TAKE PLACE IN ABOUT 2 HRS. I WILL LET YOU KNOW WHAT COMES OUT. YOU MAY WANT TO GET [redacted] ON THE SAME FREQ. AS COOPER IN CASE HE SITS IN ON THE MTG. DICK ARVS. APPROX. 1710. I WILL PICK HIM UP. WE MAY WANT A MTG AT HIS HOUSE LATER. BOB ST.

UNCLASSIFIED

(UNCLAS)
:
13 [illegible] AUG. 1. [redacted] CALLED FROM [redacted] HE REQUESTS THAT ARRANGEMENTS BE MADE FOR RALPH TO GET DOWN THERE TO TAKE CARE OF SOME ADMIN PROBLEMS. 2. ACCORDING TO [redacted], RALPH WAS SUPPOSED TO HAVE ARRIVED YESTERDAY. BUT WAS REROUTED. 3. ANY RESPONSE? BT

Will hold him here for time being

(UNCLAS)
:
131900Z AUG. [redacted] 1. THE FOLKS RALPH HAD DEALT WITH WHO HAVE CUSTODIAL RESPONSIBILITIES ARE CALLING [redacted] BUT [redacted] CAN.T HELP. THIS CONCERNS AN ADMIN ASPECT THAT WAS LEFT PENDING. WHICH RALPH WAS SUPPOSED TO RESOLVE THIS WEEK. THE FOLKS FEEL THEY,RE BEING LEFT HIGH AND DRY. [redacted] FEELS IT IS A SMALL MASSAGING EFFORT THAT IS REQUIRED. THAT ONE GUY COULD BE IN AND OUT IN THE SAME DAY TO ACCOMPLISH IT. 3. SEPARATE SUBJ. AN OUTSTANDING BILL OF LESS THAN 100 DOLLARS IS NOW IN OFFICIAL CHANNELS AND NEEDS TO BE RESOLVED. BT

Monteros has a "personal" problem

4606

From Steele, retransmitted to Earl 18 Aug 0900

UNCLASSIFIED

(SECRET)

:

I AM VERY CONCERNED ABOUT THE MISSION SCHEDULED FOR TOMARROW. A DROP IN THE SOUTH AT MIDDAY INCREASES THE POSSIBILITY OF BEING SHOT DOWN BY SAM7 OR INTERCEPTED BY T33. TO MAKE THINGS WORSE I BELIEVE THIS OPERATION HAS BEEN DISCUSSED OVER THE TELEPHONE. RECOMMEND IT BE RESCHEDULED AS A NIGHT MISSION. I HAVE BEEN APPROACHED BY MEMBERS OF THE ORGANIZATION AND [redacted] OVER HIRING AND FIRING PRACTICES PRESENTLY ONGOING.WHILE I WILL NOT TRY TO MICROMANAGE YOUR ORGANIZATION.I WILL MAKE YOU AWARE OF THE PROBLEM. TWO HIGHLY RESPECTED MEMBERS OF THE TEAM HAVE BEEN FIRED BY COOPER RECENTLY, [redacted] THIS IS CAUSING PROBLEMS [redacted] AND OTHER MEMBERS OF THE ORGANIZATION. RECOMMEND CONSIDERATION BE GIVEN TO RETAINING THESE TWO INDIVIDUALS.END TEXT. FRM MAC.. I TALKED TO COOPER LAST NIGHT, THE MISSION IS CNX. FOR TODAY. WE WILL LOOK AT A NIGHT MISSION AFTER I GET MORE DETAILS. [redacted] THROUGH RALPH, IS REQUESTING THE DROP. I WILL TALK TO RALPH AND GET INFO ON [redacted] POSITION AND DETIALS OF DROP. REF. PERSONNEL CONCERNS..I HAVE DISCUSSED WITH STEELE AND WILL WORK WITH COOPER TO GET THINGS CALMED DOWN. IT MAY BE TIME TO GET COOPER UP HERE AND FILL HIM IN ON THE DETAILS OF A DRAW DOWN SO WE ARE ALL WORKING OFF THE SAME MUSIC. HE IS STILL LOOKING AT THIS AS A LONG TERM PROJECT. DISCUSS WI GOODE AND ADVISE. BOB BT.

THC

4607

UNCLASSIFIED

COPY UNCLASSIFIED

to [illegible]

211430ZAUG86 FRM MAC..REF YOUR DISCUSSION WI DICK LAST NITE. IN MY TALK WITH STEELE LAST WEEK. I REQUESTED THAT HE MAKE THE SITUATION CLEAR TO [redacted] AS TO THE OWNERSHIP OF THE AIR ASSETS AND ASSOCIATED EQUIP. HE WAS TO INFORM HIM THAT WHILE THE ASSETS WERE MADE AVAILABLE TO THE CAUSE. THEY BELONGED TO A PANAMA BASED COMPANY AND THAT UPON COMPLETION OF THEIR SUPPORT WORK HERE THEY WERE TO BE RETURNED TO THAT COMPANY FOR FUTURE DISPOSITION. STEELE FELT THAT HE WOULD HAVE TROUBLE GETTING [redacted] TO ACCEPT THIS UNTIL HE COULD SEE WHAT TYPE OF SUPPORT WAS COMING IN TO REPLACE US. THIS MATCHES WHAT DICK SAID TO YOU ABOUT GETTING A FIRM PLAN FROM THE CIA AS TO THEIR PROGRAM FOR AIR SUPPORT. THIS WE MUST GET ASAP AND PASS TO STEELE TO PAVE THE WAY FOR OUR DEPARTURE. IF WE DONT GET IT. OUR WITHDRAWL COULD BE A MESSY AFFAIR. SUGGEST YOU TALK TO STEELE AND CONFIRM THAT WE ARE GOING AFTER THE CIA PLAN AND WILL ADVISE HIM ASAP. BOB BT.

R D 466

Partially Declassified/Released on 8 July 1987
Under provisions of E.O. 12356
By [illegible], National Security Council

UNCLASSIFIED

1772

00310

To Cooper

UNCLASSIFIED

212000ZAUG86 1. HAVE INFO THAT THERE WAS A REQUEST FOR A DROP. 11000 LBS. REQUESTED FOR THE SOUTHERN AREA 2 DAYS AGO AND THAT REPORTEDLY OUR PEOPLE AT [redacted] TURNED IT DOWN. MUCH ABOUT THIS REPORT DOES NOT MAKE SENSE AND I HAVE TOLD SUPERIORS THAT I DONT BELIEVE ITS TRUE. IT IS POSSIBLE THAT [redacted] OR HIS EQUIVELENT.HAS GOTTEN IN THE ACT IN OUR NAME. REGARDLESS. PLS GET DETAILS OF THE REQUEST AND IF IT FITS OUR RULES OF SAFETY. WE GO. PLS ADVISE. 2.REF MONEY REQUIREMENTS. RALPH IS INBOUND WITH 15K FOR YOUR ADMIN AND SUPPORT REQUIREMENTS. ADDITIONALLY STEVENSON WILL BRING 30K FOR OPERATIONAL SUPPORT. THIS IS ALL WE COULD PUT TOGETHER ON SHORT NOTICE. I WANT A COMPLETE ACCOUNTING OF WHAT THIS MONEY IS NEEDED FOR AND HOW IT IS ACTUALLY SPENT. OUR OPERATIONAL FUND NEEDS TO BE CONTROLLED VERY RPT VERY CAREFULLY AND WE ARE NOT TO SPEND 1 DOLLAR MORE THAN NECESSARY. DO WE OWE ANY MONEY TO ANY OF THE TROOPS? WE MUST TAKE CARE OF THEM FIRST. 3.HOW IS PERSONNEL SITUATION? WHAT IS YOUR SCHEDULE. THOUGHT YOU WERE COMING HERE.4.KEEP GOOD CONTACT WITH STEELE AND BE VERY CAREFUL OF WHAT IS BEING SAID OVER PHONE AND RADIO. BIG RED IS COPYING US VERY WELL. BOB BT.

(SECRET)
:
FYI. 1. REQ FOR DROP CAME THROUGH [redacted] C7A HAD RETURNEDD FROM [redacted] WITH 4000 LBS TO BE ADDED TO 7000 LBS FROM PREVIOUS LOAD TO BE DROPPED SOUTH. 2. WE HAVE RECEIVED SAME REQUEST THIS MORNING. 3. HAVE TENTATIVELY SET UP DEP TO ARRIVE DZ AFTER DARK-OUR ATTITUDE REMAINS THE SAME. 4. TIME OF EXERCISE-6 HOURS PLUS 5 MINUTES. 5. CREW [redacted]-HASENFUS-[redacted]. 6. NO CONFUSION HERE ABOUT ORIGINAL REQUEST.. 7. INCENTIVE MONIES OWED TROOPS.8. NEED TO RECRUIT ADDITIONAL PILOT STAFF. PLUS 1 LOAD MASTER FOR A TOTAL OF 4 LOADMASTERS OR KICKERS. 9.

4608

UNCLASSIFIED

(SECRET)

:

131430ZAUG86 FRM MAC TO RALPH..1. PLS
PROVIDE DETAILS OF REQUESTED DROP. VERY
CONCERNED ABOUT DAYLIGHT OPS. ESPECIALLY
NOW. IF EQUIP IS REQUIRED ASAP WE WILL
SET UP A NITE MISSION. ARE TROOPS
CAPABLE OF MARKING A DROP ZONE? 2. HOW
MUCH LONGER ARE YOU NEEDED AT [redacted]
PLACE? IS THE MONTERO PROBLEM TAKEN
CARE OF? I NEED FOR YOU TO COME BACK TO
MIA AND DELIVER SOME MONEY TO [redacted]
STEELE IS TRYING TO HELP BUT WE HAVE
SOME BILLS THAT MUST BE PAID NOW. PLS
ADVISE OF SCHEDULE. BOB BT.

4609

UNCLASSIFIED COPY

221400ZAUG[illegible] 1. WHEN DO YOU PLAN TO TRY DROP AGAIN? WHAT ARE COORDINATES OF DZ? WHAT ARE DZ MARKINGS? RADIO CONTACT PROCEDURES? WHAT MATERIAL ARE YOU DROPPING? WHO HAS COORDINATED THE DROP? WHAT IS ENEMY SITUATION IN DZ AREA? HAS STEELE BEEN INFORMED OF MISSION? HAS HE PROVIDED ANY SUPPORT? 2. WANT YOU TO CONTACT STEELE AND EXPLAIN WHAT HAPPENED IN THE MISINFORMATION CONCERNING THE PREVIOUSLY CANCELED DROP. IMPORTANT THAT KIND OF BAD PRESS NOT GET PASSED AROUND. ADVISE ME WHEN STEELE IS INFORMED AND HIS REACTION. ALSO HE SHOULD BE AWARE OF YOUR CURRENT MISSION AND SHOULD PROVIDE WX. INTEL. ETC. PRIOR TO DEPARTURE. 3. GLAD TO SEE YOUR RELATIONSHIP WITH [redacted] IMPROVING. CONTINUE TO WORK CLOSELY WITH HIM. WE NEED HIS SUPPORT. BOB BT.

R D 000388

cross - Steele #24

782

Partially Declassified/Released on 12 May 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

COPY

UNCLASSIFIED

(SECRET)
:
COORDINATES [redacted]
APPROACH SOUTH TO NORTH DZ BONFIRES
INVERTED L COMMUNICATIONS [redacted] CALL
SIGNS A/C MEDICO GROUND LARGARTO DROP
TIME 2345 GMT 23 AUG.ROUTE OF FLIGHT
APROX. 50 MILES OFF COAST TO JUST SOUTH
OF PLANTATION EAST TO SOUTH OF DZ DIRECT
TO DZ
OS

4610

UNCLASSIFIED

From Cooper 22/1345Z

UNCLASSIFIED

(SECRET)

1. TRIP SOUTH ABORTED 30 MINUTES FROM DZ DUE SEVERE THUNDERSTORMS. 2. RELIABILITY OF OMEGA IN THAT AREA IS SUSPECT-AS IS LORAN. BOTH NAV AIDS WORK FINE OUR AREA. DETERIORATION QUITE NOTICEABLE APPROACHING [redacted] DZ AREA. 3. RELIABILITY OF OMEGA IN 823 OPERATING OUT OF [redacted] FOLLOWS SAME PATTERN WHEN NEARING DZ INSIDE NICARAGUA. 4. REGARDING YOUR QUESTION ABOUT [redacted] [redacted] HE HAS TO DATE-BEEN QUITE ENTHUSIASTIC ABOUT OUR PARTICIPATION IN THEIR PROGRAM. HAS DONE NOTHING TO OUR KNOWLEDGE TO HINDER SAME. 5. AS ASIDE-THE SOUTH ASKED [redacted] FOR HELP-POSSIBLY A BREAKTHROUGH IN COOPERATION. 6.WITH REGARD TO SOUTH-BASED ON A SEEMING LACK OF REAL COORDINATION-GUIDANCE IF YOU WILL-WE WOULD FEEL BETTER IF WE SET TIME OF ARRIVAL OVER DZ-NITE OR DAY-CONSIDERATION GIVEN TO WX AND POLITICS [redacted] CREWS HAVE NO COMPUNCTION ABOUT WORKING DAYTIME. 7. REGARDING CANCELLATION OF PREVIOUS TRIP-[redacted] AT [redacted] INDICATED THAT THEY WERE INFORMED WE HAD NO CREW OR NO A/C AVAIL. OR BOTH. HE WAS SOMEWHAT DISTURBED THAT NOTHING WAS FURTHER FROM THE TRUTH. HE PASSED ON TO HIS PEOPLE THAT THEY HAD BEEN BADLY MISINFORMED. 8. NEW SUBJECT-ALL EXPENDITURES ARE ACCOUNTED FOR IN DETAIL-[redacted] GIVES ME HIS REQUIREMENTS BY MEMO-ANY FUNDS HE RECEIVES ARE DOCUMENTED BY RECEIPTS.9. OP. EXP.-HOUSING-22-23/MO. FUEL-LOCAL TRNG--WHEN ALLOWED--/8 TRIPS SOUTH/MO-EQUATES TO 3M/TRIP PLUS INCENTIVES-TRIPS [redacted] ALL A/C ARE FULL WHEN DEP. [redacted] A PLUS FOR US. TOTAL EXPENDITURE 40-45M/MO. 10. AS OF NOW [redacted] IS MY CONNECTION WITH [redacted] WE ARE ABLE TO COMMUNICATE OUR REQUESTS WITH NO PROBLEM-ARE SOMEWHAT CIRCUMNAVIGATING HIS IRON FIST BY EXPRESSING THE NEED FOR [redacted] AS THE REQUIREMENT SURFACES. IN DIRECT CONVERSATION WITH YOU-A COMPLETE RUNDOWN OF EVENTS WILL BRING YOU UP TO SPEED. AS CHAPLAIN AND SOOTHSAYER THE ATMOSPHERE HERE HAS CHANGED CONDIDERABLY WITH THE FEW CHANGES IN PERSONNEL THAT HAVE BEEN MADE. YC......

4611

UNCLASSIFIED

Aug. 22

Langton to Mac

UNCLASSIFIED

(SECRET)
:
WE WILL GIVE [redacted] 20.000 TODAY.
THE TOAD MAY BE READY ON THE 25TH BUT
I THINK I WILL BE CLOSER TO THE 27/28.
WE HAVE TWO ENGINES PLUS SOME NECESSARY
PARTS THAT WILL TOTAL OVER 20.000 LBS
THIS REQUIRES THE L-100 SINCE THE TOAD
WILL ONLY CARRY 8.000 ON THE TRIP DOWN.
I WOULD SUGGEST WE SEND THE L-100 ON
MONDAY/TUESDAY.---NEW SUBJECT--- WOULDNT
IT BE SMART OF THE AGENCY TO BUY THE
ASSETS/EMPLOY SOME OF THE PEOPLE RATHER
THAN START OVER??? IF THEY GO OUT AND
START BUYING OTHER EQUIPMENT IT JUST
SEEMS LIKE A WASTE OF GOOD MONEY. THATS
A PERSONAL OBSERVATION ONLY. BT

Langton to Mac

(SECRET)
:
WE HAVE ON OUR BOARD OF DIRECTORS A
VERY EXPERIENCED INDIVIDUAL BY THE NAME
OF HUGH GRUNDY // HE WAS PRESIDENT OF
AIR AMERICA FOR IT FULL USEFUL LIFE
[redacted]
/ BUT I HAVE
BEEN TOLD BY HIM THAT IF I WANTED HE
WOULD BE AVAILABLE FOR ADVICE// I WOULD
RECOMMEND HIS WISDOM BE LISTENED TO AND
ALSO IF I CAN BE OF ANY ASSISTANCE I
WOULD BE AVAILABLE TO DISCUSS THE
PROJECT/// THIS IS FROM AND OPERATORS
VIEW NOT A POLITICAL VIEW BT

4612

UNCLASSIFIED

To Dutton.

(SECRET)

:

FYI. STOCKROOM-WORKSHOP FINISHED WITH LAYING OF CONCRETE SLAB. BULDG. PAID FOR-NO TITILE ,BUT PRESUMSME [redacted] WILL NOT EVICT. 2. A/C PARKED ON OUR SIDE ADJACENT TO BLDG. 3. NOW ALMOST SELF SUPPORT-ONLY OCASSIONAL ASSISTANCE [redacted] [redacted] 4. WILL TAKE PICTURES TO DOCUMENT EFFORTS OF TEAM. 5. 821-MAULE-SHOULD BE DONATED TO CHARITY-FLYABLE. 822-C7A-WITH ARRIVAL OF 825 ALL PARTS REQUIRED ARE ON BOARD. WILL TEST FLY ASAP. IF YOUR INTENTION TO FINE TUNE 822-ADKINS AVIA. MCALLEN. TX STILL COMPETITIVE-QUALITY AND PRICE. 7.[redacted] LAST WEEK 3 OUT OF 4 DROPS SUCCESSFUL. WX REASON FOR NO DROP. 8.[redacted] OUR MAN DISCOVERED MAJOR PROBLEMS IN AVIONICS INSTALLATION BY SAT-SUB-CONTRACTOR. HAVE RESOLVED ALL-REQUIRE OMEGA CIU UNIT AND VHF TX. WILL CHECK OUT AND TEST FLY ASAP ENGINES ETC. 9. [redacted] FILLED YOU IN. LANGTON NOT QUALIFIED-WOULD NOT KNOW SCREWDRIVER FROM HAMMER. DONT YOU DARE TELL HIM I SAID THAT. 10. REF. COMMENTS FROM [redacted] REGARDING OUR TEAM. [redacted] AND AN INDIVIDUAL FROM THE AGENCY-KNEW HIM IN LAOS-BOTH COMMENTED VERY FAVORABLY ON ATTITUDE AND MORE IMPOORTAN ON PERFORMANCE OF TEAM. [redacted] ECHOED SAME. 11. WITH MAX NO LONGER IN PICTURE-I ASSUME HE IS NOT [redacted] BECOME A VERY ENTHUSIASTIC PARTER. 12. I PRESUME ALL GUIDANCE REGARDING RESUPPLY AND POSSIBLE PILOT TRNG FOR FDN WILL COME DIRECT FROM YOU OR IN CONCERTY WITH [redacted] TOUGH TO CATCH AT THE EMBASSY.13. CONCLUSION..ALTHOUGH FEW MINOR PROBLEMS REMAIN PARTS ETC. WE HAVE BASICALLY ARRIVED AND ARE OPERATIONAL NORTH AND SOUTH. I FEEL THAT YOUR PREVIOUS SUGGESTION OF MOVING TO A MORE COOPERATIVE AND FRIENDLY LOCATION WOULD ABE BENEFICIAL TO ALL. SORRY ABOUT BEING LW. THIS WAS PUT TOGETHER 2 DAYS AGO PRIOR TO SOME APPARENT CHANGES. COOP

4613

UNCLASSIFIED

[illegible]

COPY UNCLASSIFIED

UNCLASSIFIED

~~SECRET~~

[illegible] AUG. 1. FELIX CLAIMS THE A/C OWNERS ARE ATTEMPTING TO CUT AND RUN. NOW THAT THEY.VE HEARD CIA ISN.T TAKING OVER THE OPERATION. HE SAYS [redacted] IS NOT RELEASING THE A/C BECAUSE HE CLAIMS THEY ARE CONTRA A/C. [redacted] WILL CLOSE DOWN [redacted] ETC TO CONTRA AND US ACTIONS IF THE ISSUE ISN.T RESOLVED. OTHER THREATS INCLUDE CHARGING .LANDING FEES. OF 400K USD. EXPOSING THE WHOLE OPERATION. ETC. 2. REGARDING THE SPECIFIC CHARGE OF AIR PIRACY. FELIX CLAIMS THAT HE HAD CLEARED THE FLIGHT WITH SAT. THAT IT WAS AN ALREADY SCHEDULED BUT POSTPONED FLIGHT OF MEDICINES DONATED BY THE MAYOR OF MIAMI. 3. FELIX SAYS THAT BERMUDEZ HAD REQUESTED THE MAYOR OF MIAMI TO COME DOWN. 4. BOTTOM LINE IS THAT [redacted] WANTS THE 3 A/C TO STAY IN BUSINESS UNTIL REPLACED BY AGENCY MEANS. 5. I.LL BE SEEING OLLIE TOMORROW. PLEASE GIVE ME YOUR REACTION TO ALL THIS AND ANYTHING ELSE YOU.D LIKE ME TO PASS TO HIM. BT.

R D 4675

Partially Declassified/Released on 8 July 1987
Under provisions of E.O. 12356
By B. Reger, National Security Council

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176A

003[illegible]
00252

~~[illegible] info 7 Aug~~
From Cooper 7 Aug

UNCLASSIFIED

(SECRET)

FYI. 1. THE FOLLOWING NUMBERS ARE THE DZ.S. [redacted] TWO DROPS..2ND DROP INBOUND-RECEIVED SPORADIC 37MM AAA WHEN CROSSING A ROAD. 31 JULY [redacted]. 3. ALL DROPS HIT DZ AND RECEIPT OF CARGO CONFIRMED BY RADIO. 4. HAVE LOCATED A POSSIBLE FACILITY IN MCALLEN, TX FOR CARIBOU. DOTHIN. ALA. HAYES AVIATION ONLY SERVICED THE C123KS. NOW....ONCE AGAIN WE HAVE BEEN DENIED ACCESS TO THE AIRPORT-PILOTS AND MECHANICS. 6. LATE LAST NIGHT [redacted] INFORMED ME THAT [redacted] PUT THE AIRPORT OFF LIMITS UNTIL FURTHER NOTICE. 7. THIS MORNING [redacted] WAS ASKED TO MEET WITH [redacted] AND RECEIVE SOME PAPERS AND POSSIBLY SOME INFORMATION REGARDING [redacted] 8. THIS AFTERNOON [redacted] AND I WILL HAVE A SHORT MEETING WITH [redacted] MAX IS NOTICEABLY ABSENT IN PASSING ON INFO TO ME. [redacted] IS NOW THE MOUTHPIECE APPARENTLY. 9. DISNEYLAND HAS NOTHING THAT ARE POPPING UP HERE.

10. HAVE DISCOVERRED A POSSIBLE SOURCE OF THE REASONS FOR OUR PROBLEMS.. SEEMS THAT [redacted] IS BAD MOUTHING ALL PERSONNEL CONCERNED AND MYSELF IN PARTICULAR. HE GENERALLY CONTRIBUTES NOTHING IN THE WAY OF TEAM EFFORT. IT IS MY INCLINATION TO TERMINATE HIM AS SOON AS POSSIBLE. WE HAVE ENOUGH TO DO IN SOLVING OUR RELATIONSHIP WITH THOSE IN THE IMMEDIATE AREA...

4614

UNCLASSIFIED

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SECRET

091600ZZAUG86 FRM MC ALLISTER.. HAVE JUST COMPLETED LONG DISTANCE DISCUSSION WI OWNERS AND HAVE CONVINCED THEM TO LEAVE C-123 AT YOUR LOCATION AS THERE MAY BE MORE WORK THAN EXPECTED ESPECIALLY IF WE HAVE TO FIX THE NO. 1 C-7. IT IS EVERYONES INTENT TO CONTINUE SUPPORT FOR THE EFFORT. MAX IS CENTRAL PROBLEM. HE CLAIMS A/C ARE CONTRA NOT INDEPENDENT COMPANYS. MAX CLAIMS WE ARE TRYING TO CUT AND RUN WITH CONTRA A/C. THIS IS NOT TRUE. WE ARE NOT RUNNING AND A/C TITLED TO COMPANY OWNED IN PANAMA--NOT CONTRAS. MAX IS TRYING TO BLACKMAIL US BY THREATENING THAT [redacted] WILL REVEAL THE OPREATION, WILL CHARGE 600.000 DOLLARS LANDING FEES,ETC. MAX HAS BEEN AND CONTINUES TO BE BIG SECURITY THREAT. WE MUST BE VERY SMART ABOUT OUR PROCEDURES AS WE TRANSITION TO CIA SUPPORTED OPERATIONS. SURE PRESS AND OTHERS WILL BE WATCHING AND WE DONT WISH TO EXPOSE NON USG EFFORTS. I AM TOLD YOU AND AMBASSADOR WILL BE HERE. WASH D.C.. MONDAY. I WILL BE GLAD TO MEET YOU ON ARRIVAL OR AT ANY TIME AFTER FOR DISCUSSIONS. IF I CAN ASSEST WITH RESERVATIONS ETC. PLEASE ADVISE. BOB BT.

788

[illegible] Released on 12 May 87
under provisions of E.O. 12356
by B. Reger, National Security Council

cross - Steele #24
exhibit

UNCLASSIFIED

COPY

UNCLASSIFIED

Jun 10

[redacted] 0302AUG86 FM MC ALLISTER..DISCUSSION [redacted]TH OLMSTEAD INDICATES NO PROBLEM WITH MONEY AS HE WIRED REQUIRED AMOUNT SOME TIME AGO. ONLY REAL PROBLEM FROM HIS POINT OF VIEW IS POSSIBILITY OF SQUATTERS. FYI..WE HAVE AGREED TO PUT FULL TIME MAN IN RANCH HOUSE TO INSURE NO SQUATTERS..WHILE WE AGREE WE THAT SQUATTERS COULD BE A PROBLEM WE ONLY CONSIDER THIS PART OF LARGER..REAL..PROBLEM. OUR CONCERN IS WHAT [redacted] AND AMBASSADOR ARE GOING TO DO REF THE PROPERTY ITSELF SINCE AFTER MUCH EXPENCE AND EFFORT WE NOW HAVE NO ACCESS AND THEY DONT SEEM TO BE ABLE TO HELP. SUGGEST YOU POSE QUESTION ALONG THESE LINES BACK TO [redacted] SAYING THAT WE ARE ALSO CONCERNED ABOUT SQUATTERS BUT MORE CONCERNED AS TO WHAT THEY ARE GOING TO DO ABOUT THE MORE IMPORTANT PROBLEM. MOREOVER, AMB AND [redacted] NEED TO THINK ABOUT WHAT HAPPENS AFTER CIA GOES BACK INTO FIELD. DO WE GIVE THE PROPERTY BACK OR WILL CIA WANT TO USE IT? BOB
BT.

786

12May82

UNCLASSIFIED

~~SECRET~~

1 From Rob Owen

131300Z AUG. 1. CONDUCT EMERGENCY RECALL IMMEDIATELY. BRING THE MAINTENANCE AND AIRCREWS OUT OF THERE QUIETLY. BUT QUICKLY. LEAVE ALL THE EQUIPMENT. INCLUDING AIRPLANES. BRING BACK ONLY PERSONAL EQUIP. 2. DESTROY REGISTRATION PLATES ON A/C IF POSSIBLE. BUT DON.T DAMAGE THE A/C. 3. AT [redacted] [redacted] BOB. BACON. AND OLMSTEAD SHOULD GET TOGETHER. THE AIRFIELD REVERTS TO BACON.S CONTROL. 4. STEELE IS RECONSIDERING MEETING W/ YOU AND MAY CALL YOU. 5. IF HE HELPS PERHAPS THIS THING CAN BE PATCHED BACK TOGETHER FOR THE TRANSITION. BUT FOR THE MOMENT THE PEOPLE MUST BE GOTTEN OUT OF THERE. BT

R D 4671

~~SECRET~~

131345ZAUG86 1. THERE IS MORE THAN 1 MIL DOLLARS WORTH OF EQUIPMENT. SPARES. [redacted] LOCATED AT [redacted] I PRESUME YOUR MSG RESULTS FROM TELECON WITH OLLIE. IF SO I MUST REMIND YOU THAT THESE ASSETS ARE OWNED BY UDALL RESEARCH CORP AND THERE IS NO INTENTION OF ABANDONING THEM. 2. I INSIST ON IMMEDIATE MEETING BETWEEN BOB AND STEELE OR I WILL SEEK OUT THE AMBASSADOR AND RESOLVE THE ISSUE. DICK

1807

~~SECRET~~

1 From Rob O.

1. MY READ[redacted] IS IT RESULTS FROM YOUR REPORT LAST NIGHT THAT [redacted] AND [redacted] HAD BEEN DIRECTED HANDS OFF BY DCI. COMBINED WITH MY REPORT THAT JIM DIDN.T WANT TO MEET WITH YOU. SUPPOSEDLY AT DIRECTION OF THE AMBASSADOR. 2. THE THREAT OF A LAW SUIT AGAINST [redacted] FOR AIR PIRACY HAS APPARENTLY REALLY POISONED THE ATMOSPHERE FOR JIM AND FOR THE AMBASSADOR ABOUT THE GOOD INTENTIONS OF THE COMPANY. BT.

Partially Declassified/Released on 8 July 198[illegible]
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

#26

[illegible] SENT TO HIR [illegible] LAWSUIT [illegible] TO DO WITH [redacted] — IS [illegible]MENT MADE TO U.S. BY [illegible]IE SET MAN [redacted] THIS ENTIRE ISSUE NOW [illegible] ON RIDICULOUS. IF WE SLIP OUT OF [redacted] THE WORD WILL RAPIDLY CIRCULATE AMONG MY ENEMIES WHO VIEW ME AS OBSTACLE TO MAKING MILLIONS FROM THE CONTRAS. RON MARTIN. CARL JENKINS. MAX, SHEEHAN. AND HOST OF OTHERS WILL IMMEDIATELY JUMP IN AND MORE BAD PRESS RESULTS. UDALL AND THE OTHER COMPANIES ARE PERFECTLY LEGAL IN THEIR ACTIVITIES AND I WILL MAKE THIS A MAJOR ISSUE IF AMBASSADOR AND STEELE DO NOT RECTIFY MATTER [redacted]. I WILL NOT PREMIT MAN TO TEAR US UP. 2. THIS IS NO SMALL MATTER. WE MUST OPERATE AS THOUGH WE HAVE SOME SENSE. DICK BT.

UNCLASSIFIED

Partially Declassified/Released on 4 May 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED COPY

~~SECRET~~ -

FYI. MEETING WITH RAPHAEL HAS DISCLOSED A MAJOR DEFICIENCY IN THE OVERALL COORDINATION OF DROPS TO THE SOUTH. 1. TRANSMISSION OF REQUIREMENTS, COORDINATES ETC. PASSES THROUGH THREE STATIONS BEFORE REACHING US. THIS HAS CAUSED US TO ASK FOR CONFIRMATION OF TIMES OVER DZ ETC. NUMBERS HAVE BEEN CHANGED IN RETRANSMISSION. THIS WAS CONFIRMED BY RAPHAEL WITH HIS COPIES OF THE DISPATCHES. 2. WE HAVE TENTATIVELY RESOLVED THE PROBLEM BY HAVING [redacted] PASS THE REQUIREMENT TO FDN HQS AND THEN TO US. 3. WE STRONGLY SUGGEST THAT WE HANDLE THE REQUIREMENT IN THE FOLLOWING MANNER. 4. OUR ARRIVAL OVER THE DZ-THE INITIAL DROP-SHOULD BE JUST AT DUSK-DARKNESS OCCURS ABOUT 1745-THIS ALLOWS A GOOD VISUAL SIGHTING OF DZ. IF THE DROP ZONE IS SECURE-SUBSEQUENT DROPS WOULD BE MADE SPORADICALLY WITHOUT FANFARE. I.E. NO COMMUNICATION BETWEEN A/C AND GROUND, DURING THE TIME IN THE AREA. THIS METHOD PROVED SATISFACTORY WITH THE PREVIOUS BOO DROPS. [redacted] INDICATES HIS PEOPLE AGREE-THROUGH RAPHAEL-PREVIOUS DROPS HAVE IN THIS MANNER RESULTED ONLY IN THE LOSS OF ONE BUNDLE. THIS RANDOM METHOD WOULD CONTINUE AS LONG AS THE DZ IS SECURE OR THEY HAVE MOVED TO ANOTHER LOCATION. 5. AFTERNOON ARRIVAL ALLOWS LOW LEVEL FLYING FOR RADAR AVOIDANCE AND ENTRY INTO DZ AREA WOULD RESULT IN MINIMUM REACTION TIME IF ANY. 6. RAPHAEL GENERALLY AGREES WITH PROCEDURE. BT. FROM MAC.. I WILL GO BACK TO COOP AND REQ. DZ COORDS. AGAIN. UNLESS I KNOW WHERE THEY [redacted] WORKING I CANT MAKE A VERY GOOD JU NT AS TO THE PROPOSED PROCEDURE. L ALSO GET [redacted] TO EVALUATE THIS PROPOSAL. BOB BT.

Partially Declassified/Released on 6 Jul 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

1559

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COPY

00331

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SECRET

221615ZAUG86 RECEIVED NEW GUIDANCE THROUGH GOODE FROM HIS BOSS. WE ARE TO STAY IN FULL OPERATION SUPPORTING THE DROPS UNTIL 1 OCT. AT THAT TIME NSC SAYS THAT CIA WILL HAVE BEEN IN OPERATION APPROX 1 MONTH. THE CIA WILL GO TO [redacted] AND EXPLAIN THAT THEY. THE CIA. ARE NOW IN CONTROL AND THEY DONT WANT OUR ASSETS TO REMAIN IN THE AREA AND CONFUSE THE ISSUE..AT WHICH TIME WE WILL TOTALLY WITHDRAW AND EITHER DISPOSE OF THE ASSETS OR SEND THEM ELSEWHERE. THIS IS CURRENT PLAN ONLY TO BE CHANGED BY THE NEXT PLAN. BOB BT.

783

[illegible] on 12 May 87 [illegible] E.O. 12356 [illegible] by B. Reger, National Security Council

UNCLASSIFIED

From Steele retransmitted to Goode 24/2100Z Aug86

UNCLASSIFIED

SECRET)

:

THIS MSG JUST IN FROM STEELE. LOOKS LIKE HE AND [redacted] WORKING WELL TOGETHER. NEED TO ENCOURAGE [redacted] CONTINUED INVOLVMENT. BEGIN TEXT..DISCUSSED OPERATIONAL PROBLEMS WITH JOHN THIS AM. CONCUR THAT MISSION PLANNING IS NOT TAKING INTO ACCOUNT CREW INPUT, PARTICULARLY AS IT RELATES TO WEATHER AND TERRAIN. ALL THINGS CONSIDERED I AGREE THAT A DUSK DROP MAKES SENSE AS LONG AS WE DONT SET A PATTERN. ALL NIGHT DROPS WLL INVOLVE IR BEACON OR PARACHUTE FLARES BY GROUND PERSONNEL THERE IS WAY TOO MUCH USE OF THE RADIO. I ALSO PREFER TO HAVE CREW SELECT DZ WHENEVER FEASIBLE AS WELL AS TIME AND THEN NOTIFY GROUND ELEMENTS AT THE LAST MOMENT OR AFTER THE FACT.THIS PRESUMES THAT WE KNOW THE GENERAL AREA THAT THE FREEDOM FIGHTERS CONTROL ON THE GROUND. FLYING VERY LOW AT NIGHT GIVEN THE TERRAIN,WEATHER AND AIRCRAFT LIMITATIONS APPEARS HIGH RISK. THEREFORE NIGHT DROPS SHOULD BE DONE AT A HIGHER ALTITUDE. THIS SHOULD BE NO PROBLEM WITH IR STROBE OR FLARES. PLAN TO INCLUDE THESE ITEMS IN THE NEXT DROP. JIM.

L

26Jan88

4615

UNCLASSIFIED

1st to Cooper
2nd to Steele

UNCLASSIFIED

:SECRET:

:

221730ZAUG86 1.YOU NEED TO PASS ALL INFO REF TASKING PROBLEMS TO STEELE. HE IS NOW THE [redacted] USG REPRESENTATIVE WITH INTEREST IN OUR OPERATIONS. I WANT HIM TO BE KEPT UP TO SPEED ON ALL OUR EFFORTS AND PROBLEMS. 2.I CANT MAKE ANY JUDGEMENTS AS TO YOUR PROPOSED PROCEDURES WITHOUT SOME IDEA OF WHERE YOU WILL BE WORKING. WHAT ARE THE COORDINATES? WHAT IS YOUR PROPOSED ROUTING? THERE ARE OTHER QUESTIONS I PUT IN THE PREVIOUS MSG. THAT YOU HAVE NOT ANSWERED. 3. STEELE MAY BE ABLE TO HELP WITH [redacted] REQUESTS AND CLARIFICATIONS OF MISSION PARAMETERS..USE HIM..HE IS A FRIEND. AWAITING YOUR ANSWERS. BOB BT. FOR STEELE FROM MC ALLISTER..COOP HAS OUTLINED SOME MISSION PROCEDURES THAT THE GUYS HAVE WORKED OUT WITH THE CUSTOMER. BASICALLY THEY ARE TO PLAN TO ARRIVE OVER THE DZ JUST AT DUSK APPROX. 1745 WHICH ALLOWS GOOD VISUAL SIGHTING OF DZ. IF DZ SECURE. SUBSEQUENT DROPS WOULD BE MADE SPORADICALLY WITHOUT COMM WITH THE GROUND. THIS HAS BEEN USED ON NORTHERN MISSIONS QUITE SUCCESFULLY. THEY THEN PROPOSE THAT SUBSEQUENT DROPS COULD BE MADE TO THE SAME DZ AT RANDOM TIMES SINCE THE CREW WOULD BE FAMILIAR WITH THE DZ. PLS [redacted] GIVE ME YOUR ASSESMENT OF THE PROPOSAL. BOB BT.

26 Jan 88

4616

UNCLASSIFIED

From Cooper 22/1100Z

UNCLASSIFIED

(SECRET)

:

FYI. MEETING #WITH RAPHAEL HAS DISCLOSED A MA##JOR DEFICIENCY IN THE OVERALL COORDINATION OF DROPS TO THE SOUTH. 1. TRANSMISSION OF REQUIREMENTS. COORDINATES ETC. PASSES THROUGH THREE STATIONS BEFORE REACHING US. THIS HAS CAUSED US TO ASK FOR CONFIRMATION OF TIMES OVER DZ ETC. NUMBERS HAVE BEEN CHANGED IN RETRANSMISSION. THIS WAS CONFIRMED BY RAPHAEL WITH HIS COPIES OF THE DISPATCHES. 2. WE HAVE TENTATIVELY RESOLVED THE PROBLEM BY HAVING [redacted] PASS THE REQUIREMENT TO FDN HQS AND THEN TO US. 3. WE STRONGLY SUGGEST THAT WE HANDLE THE REQUIREMENT IN THE FOLLOWING MANNER. 4. OUR ARRIVAL OVER THE DZ-THE INITIAL DROP-SHOULD BE JUST AT DUSK-DARKNESS OCCURS ABOUT 1745-THIS ALLOWS A GOOD VISUAL SIGHTING OF DZ. IF THE DROP ZONE IS SECURE-SUBSEQUENT DROPS WOULD BE MADE SPORADICALLY WITHOUT FANFARE. I.E. NO COMMUNICATION BETWEEN A/C AND GROUND. DURING THE TIME IN THE AREA. THIS METHOD PROVED SATISFACTORY WITH THE PREVIOUS BOO DROPS. [redacted] INDICATES HIS PEOPLE AGREE-THROUGH RAPHAEL-PREVIOUS DROPS HAVE IN THIS MANNER ### RESULTED ONLY IN THE LOSS OF ONE BUNDLE. THIS RANDOM METHOD WOULD CONTINUE AS LONG AS THE DZ IS SECURE OR THEY HAVE MOVED TO ANOTHER LOCATION. 5. AT AFTERNOON ARRIVAL ALLOWS LOW LEVEL FLYING FOR RADAR AVOIDANCE AND ENTRY INTO DZ AREA WOULD RESULT IN MINIMUM REACTION TIME IF ANY. 6. RAPHAEL GENERALLY AGREES WITH PROCEDURE. 7. FOR MY INFO-WHAT PART DOES STEEL PLAY IN THIS SCENARIO. YC.C

26 Jan 84

(4617)

UNCLASSIFIED

COPY

[illegible] 1. YOU NEED TO PASS ALL [illegible] TASKING PROBLEMS TO STEELE. HE IS NOW THE [redacted] USG REPRESENTATIVE WITH INTEREST IN OUR OPERATIONS. I WANT HIM TO BE KEPT UP TO SPEED ON ALL OUR EFFORTS AND PROBLEMS. 2. I CANT MAKE ANY JUDGEMENTS AS TO YOUR PROPOSED PROCEDURES WITHOUT SOME IDEA OF WHERE YOU WILL BE WORKING. WHAT ARE THE COORDINATES? WHAT IS YOUR PROPOSED ROUTING? THERE ARE OTHER QUESTIONS I PUT IN THE PREVIOUS MSG. THAT YOU HAVE NOT ANSWERED. 3. STEELE MAY BE ABLE TO HELP WITH [redacted] REQUESTS AND CLARIFICATIONS OF MISSION PARAMETERS..USE HIM..HE IS A FRIEND. AWAITING YOUR ANSWERS. BOB BT.

781- R D 000387

Steele #24 - exhibit

Index 24

781

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COPY

UNCLASSIFIED

Aug 86

R D 000404

SECRET

[illegible] AUG. [illegible] [redacted] CALLED SECURE FROM [redacted] HE AND THE AMB ARE CONCERNED ABOUT A PROBLEM IDENTIFIED BY MR BACON AT [redacted] ONE-EYED JACK HAS DISMISSED SEVERAL KEY EMPLOYEES. THE PROPERTY THERE IS NOT SECURE. SQUATTERS MAY OCCUPY. 2. MR. BACON HASN.T RECD PAYMENT IN ACCORDANCE WITH AGREEMENT WITH ONE-EYE AND THE CORPORATION. 3. THIS IS CREATING A FLAP. AND THE AMBASSADOR.S CREDIBILITY IS ON THE LINE. HAVING MADE A PERSONAL REPRESENTATION RE THE TRUSTWORTHINESS OF THE PEOPLE INVOLVED. 4. [redacted] SUGGESTS SENDING ONE-EYE BACK DOWN W/ FULL AUTHORIZATION TO RESOLVE THE PROBLEM. 5. [redacted] AND AMB DESIRE TO KNOW ACTIONS BEING TAKEN TO SOLVE THIS. BT

787

[illegible] 12May87 E.O. 12356 by B. Reger, National Security Council

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See Hearing Exhibit GPS-78

Chapter 3 Footnote 164

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3-164

6Aug86 2333

☐ Call Ed Corr/Steele and arrange for McAllister/Sutter to visit.

☐ Within last 7 Days:
- Carl Jenkins called Raphael Quintero
- offered to have him dropped from suit if he wd talk to Christic

7Aug86

0730 - Staff mtg

4687

[redacted]

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7 Aug 86

0 2334

☐ Call Steele - KL-43
USG

☐ Note to Don Gregg

10:00 - Mtg w/ Daly
- Cent Am Public Dip
- Peter Daly Kagan
Don Wattenberg Mike Costine
John Ziwa Paul Harley
Don Linas Kojelis
Jake Jacobowitz Kerry Stevenson

☑ Check w/ Daly re Fr
Tom Dowling

- James LeMoyne book on
El Sal / W/i controls

- Fund LASSI
- Pay for travel w/in U.S.
for Resistance leadership,
exiles.

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1/26/88

46887

UNCLASSIFIED

1/26/88

46089

7 Aug

0 2335

1145 - Call from Corvey

[redacted] - Set up

- no body turned over

1230 - Call from Steel

- Situation not good

- Define some roles

- needs ~~to~~ to have one person on scene who can take charge

- was unable to see Don

[redacted] potential problem -- believes a/c belong to DEF.

- Steele coming Washington (11th) thru 1420

- Mr. Alinko call

* [redacted]

Air Force Steele

* [redacted]

☆ - Has only last day of [illegible].

UNCLASSIFIED

7 Aug 0 2336
1895 - PA 60 Fm DIA to L11.2
[illegible] Bob/Weisser Dick
8 Aug

1/26/88

(unclass)

4090

UNCLASSIFIED

Chapter 3
Footnote 166

N. 46663

3-166

Friday, August 5, 1986

[redacted]

0930 Felix = FR, DG, SW
Tom Cline, Secord -
- Ripping off Contras
- Fraud, a crime to profit
- [illegible] - -

[redacted]

126 88

4691

UNCLASSIFIED

to Goode UNCLASSIFIED

3-170

201430ZAUG86 FRM MAC..REF YOUR DISCUSSION WI DICK LAST NITE. IN MY TALK WITH STEELE LAST WEEK. I REQUESTED THAT HE MAKE THE SITUATION CLEAR TO [redacted] AS TO THE OWNERSHIP OF THE AIR ASSETS AND ASSOCIATED EQUIP. HE WAS TO INFORM HIM THAT WHILE THE ASSETS WERE MADE AVAILABLE TO THE CAUSE. THEY BELONGED TO A PANAMA BASED COMPANY AND THAT UPON COMPLETION OF THEIR SUPPORT WORK HERE THEY WERE TO BE RETURNED TO THAT COMPANY FOR FUTURE DISPOSITION. STEELE FELT THAT HE WOULD HAVE TROUBLE GETTING [redacted] TO ACCEPT THIS UNTIL HE COULD SEE WHAT TYPE OF SUPPORT WAS COMING IN TO REPLACE US. THIS MATCHES WHAT DICK SAID TO YOU ABOUT GETTING A FIRM PLAN FROM THE CIA AS TO THEIR PROGRAM FOR AIR SUPPORT. THIS WE MUST GET ASAP AND PASS TO STEELE TO PAVE THE WAY FOR OUR DEPARTURE. IF WE DONT GET IT. OUR WITHDRAWL COULD BE A MESSY AFFAIR. SUGGEST YOU TALK TO STEELE AND CONFIRM THAT WE ARE GOING AFTER THE CIA PLAN AND WILL ADVISE HIM ASAP. BOB ST.

R D 000394

784

Released on 17 May 87
under provisions of E.O. 12356
National Security Council

UNCLASSIFIED

to Hoode

211430ZAUG86 FRM MAC..REF YOUR
DISCUSSION WI DICK LAST NITE. IN MY TALK
WITH STEELE LAST WEEK. I REQUESTED THAT
HE MAKE THE SITUATION CLEAR TO [redacted]
AS TO THE OWNERSHIP OF THE AIR ASSETS
AND ASSOCIATED EQUIP. HE WAS TO INFORM
HIM THAT WHILE THE ASSETS WERE MADE
AVAILABLE TO THE CAUSE, THEY BELONGED TO
A PANAMA BASED COMPANY AND THAT UPON
COMPLETION OF THEIR SUPPORT WORK HERE
THEY WERE TO BE RETURNED TO THAT COMPANY
FOR FUTURE DISPOSITION. STEELE FELT
THAT HE WOULD HAVE TROUBLE GETTING
[redacted] TO ACCEPT THIS UNTIL HE COULD
SEE WHAT TYPE OF SUPPORT WAS COMING IN
TO REPLACE US. THIS MATCHES WHAT DICK
SAID TO YOU ABOUT GETTING A FIRM PLAN
FROM THE CIA AS TO THEIR PROGRAM FOR AIR
SUPPORT. THIS WE MUST GET ASAP AND PASS
TO STEELE TO PAVE THE WAY FOR OUR
DEPARTURE. IF WE DONT GET IT. OUR
WITHDRAWL COULD BE A MESSY AFFAIR.
SUGGEST YOU TALK TO STEELE AND CONFIRM
THAT WE ARE GOING AFTER THE CIA PLAN AND
WILL ADVISE HIM ASAP. BOB BT.

R D 4666

Partially Declassified/Released on 8 July 1987
under provisions of E.O. 12356
by [illegible], National Security Council

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(1772)

Chapter 3
Footnote 170

UNCLASSIFIED

~~SECRET~~
: From Rob Earl
131300Z AUG. 1. CONDUCT EMERGENCY RECALL IMMEDIATELY. BRING THE MAINTENANCE AND AIRCREWS OUT OF THERE QUIETLY. BUT QUICKLY. LEAVE ALL THE EQUIPMENT. INCLUDING AIRPLANES. BRING BACK ONLY PERSONAL EQUIP. 2. DESTROY REGISTRATION PLATES ON A/C IF POSSIBLE. BUT DON.T DAMAGE THE A/C. 3. AT [redacted] BOB. BACON. AND OLMSTEAD SHOULD GET TOGETHER. THE AIRFIELD REVERTS TO BACON.S CONTROL. 4. STEELE IS RECONSIDERING MEETING W/ YOU AND MAY CALL YOU. 5. IF HE HELPS PERHAPS THIS THING CAN BE PATCHED BACK TOGETHER FOR THE TRANSITION. BUT FOR THE MOMENT THE PEOPLE MUST BE GOTTEN OUT OF THERE. BT

R D 000402
~~4591~~

~~(SECRET)~~
:
131345ZAUG86 1. THERE IS MORE THAN 1 MIL DOLLARS WORTH OF EQUIPMENT. SPARES, [redacted] LOCATED AT [redacted] I PRESUME YOUR MSG RESULTS FROM TELECON WITH OLLIE. IF SO I MUST REMIND YOU THAT THESE ASSETS ARE OWNED BY UDALL RESEARCH CORP AND THERE IS NO INTENTION OF ABANDONING THEM. 2. I INSIST ON IMMEDIATE MEETING BETWEEN BOB AND STEELE OR I WILL SEEK OUT THE AMBASSADOR AND RESOLVE THE ISSUE. DICK

(1807)

~~(SECRET)~~
: From Rob Ea.
1. MY READING IS IT RESULTS FROM YOUR REPORT LAST NIGHT THAT [redacted] AND [redacted] HAD BEEN DIRECTED HANDS OFF BY DCI. COMBINED WITH MY REPORT THAT JIM DIDN,T WANT TO MEET WITH YOU. SUPPOSEDLY AT DIRECTION OF THE AMBASSADOR. 2. THE THREAT OF A LAW SUIT AGAINST [redacted] FOR AIR PIRACY HAS APPARENTLY REALLY POISONED THE ATMOSPHERE FOR CIA AND FOR THE AMBASSADOR ABOUT THE GOOD INTENTIONS OF THE COMPANY. BT.

Partially Declassified/Released on 8 July 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

003413

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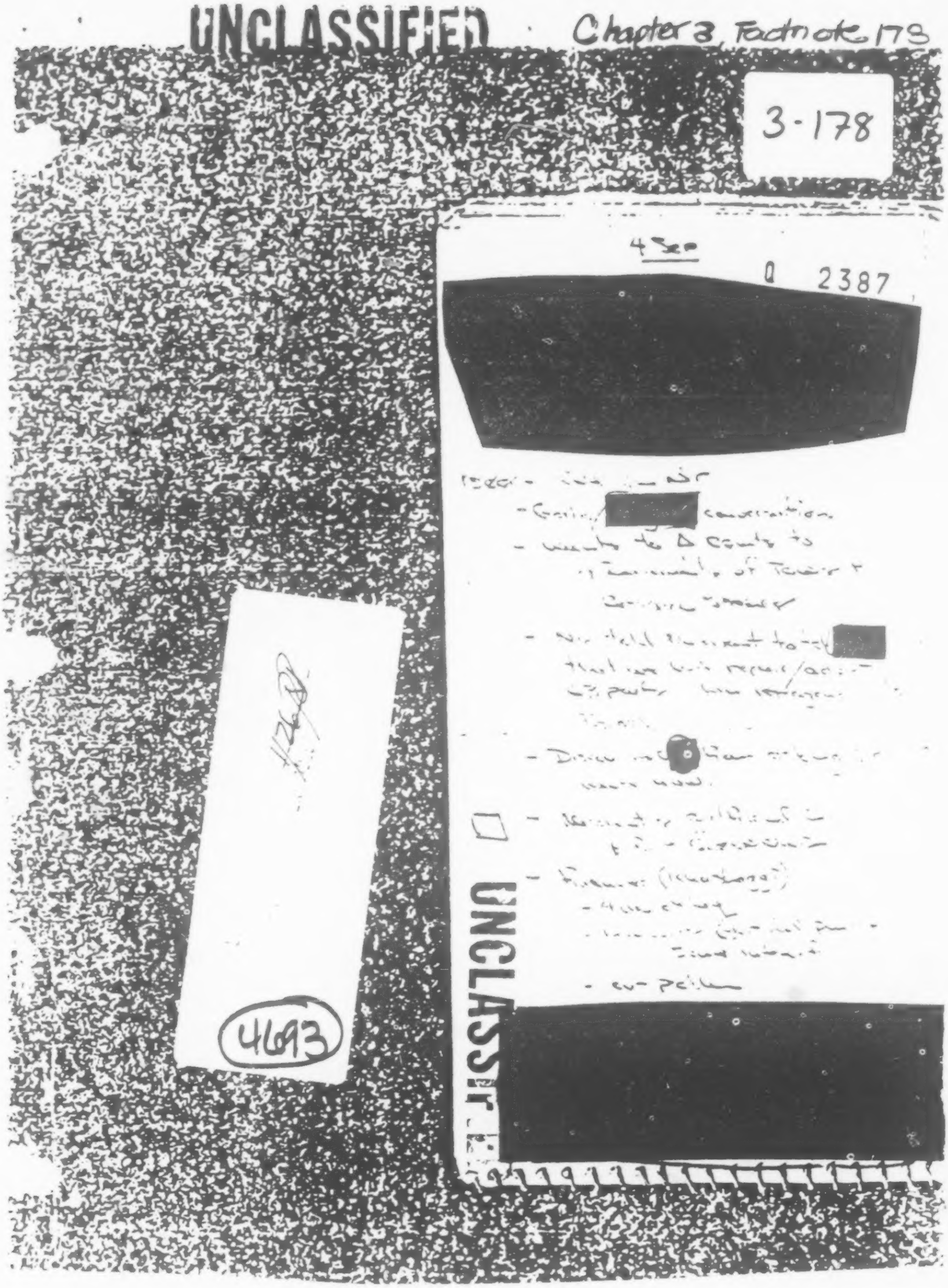
See Hearing Exhibit RCD-4

3-170

See Hearing Exhibit OLN-100

See Hearing Exhibit Secord-3



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Chapter 3, Footnote 178

3-178

4 Sep

Q 2387

[redacted]

[illegible] - [illegible]
- Going/[redacted] conversation
- wants to Δ [illegible] to
[illegible] of [illegible]
[illegible]
- [illegible] to [redacted]
that [illegible] repair/adjust
[illegible] parts [illegible] emergency
[illegible]
- Drive [illegible]
[illegible]
☐ - [illegible]
[illegible]
- [illegible] ([illegible])
- [illegible]
- [illegible]
[illegible]
- [illegible]

[redacted]

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#26

4693

UNCLASSIFIED

- said newspaper to publish
- why "bolstered" by 3d country
4 Sep 86

Q 2388

1730 - Mtg w/ JMP

☐ Go/No Go on Secretarial Demarches

- ☐ Prob. w/ Southern OPS
  - Beginning to keep going
  - Trying to sell $3.1M Equip't in Europe
    offered for 4.5M
  - Customs investigation of various A/C and Secord
    CIA officers: [redacted]
    CIA-Contractor

☐ Mtg at Eglin - 16 Sep 86

☐ Calling "good bye" w/ RR
until letter

[redacted]

1/26/88

4694

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[illegible] Q 2389

[redacted]

☑ [redacted] Contingency :

[redacted]

Need in Vienna

Paris to Dick ✓

☐ [redacted]

☐ Call Zurich Advice

Monthly ✓ for LAKE

Needs $215K wire.

UNCLASS[illegible]

[redacted]

1/22/88

(4695)

See Hearing Exhibit C/CATF 43-29

UNCLASSIFIED Chapter 3, Footnote 181

COPY 3-181

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To [illegible]

[illegible]22SEP86 1. C-7 RETURNED FROM FARM TODAY. DELIVERED 4K MUNITIONS. THEY STILL DONT HAVE COORDS OF NORTH [illegible]. DID GET [redacted] THAT SANDIS SETTING UP [illegible] OF MISSILE TRAP FOR NORTHERN DROP. HAVE COORDS OF THEIR POSITIONS AND WILL CHECK AGAINST FUTURE DZS. FARM CLAIMS NO FUEL. MEDICINE OR PARACHUTES. THIS WILL BE SOMETHING RALPH WILL HAVE TO WORK HARD. 2. C-123 DELIVERED 10K ON DZ NO 1 TODAY. WX TERRIBLE BUT GOT GOOD LOOK AT DROP AREA. NO FIRES SIGHTED..AGAIN. WILL GET CONFIRMATION OF RECEIPT FROM [redacted] ALL TROOPS SHOULLD NOW HAVE EQUIP. WILL BRING TOTALS HOME WITH ME. 3. OUR FIGURES SHOW 167000 LBS NOW LEFT IN WEARHOUSE. 9000LBS ALREADY SET FOR DROP. WILLSET UP SECOND LOAD TOMORROW AND STAND BY FOR DIRECTION FROM [redacted] HE ALREADY TOLD US TO PLEASE NOT SEND ANY MORE TO [redacted] FOR AWHILE. NEVER THOUGHT WE WOULD HEAR THAT. SEE YOU TOMORROW. BOB BT.

1/26/88

4692

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3-182

DOCUMENT UNAVAILABLE.

3-186

See Hearing Exhibits OLN-161 and JMP-60

See Hearing Exhibit GPS-78

3-194

See Hearing Exhibit OLN-203

3-195

See Hearing Exhibit OLN-204

3-196

See Hearing Exhibit C/CATF-36

Chapter 3, Footnote 197,
#34

MSG FROM: NSJMP --CPUA TO: NSOLN --CPUA [redacted]
To: NSOLN --CPUA

*** Reply to note of 09/25/86 11:23 -- [redacted] --

NOTE FROM: JOHN POINDEXTER
Subject: Public Affairs Campaign on Central America
I agreed. Why didn't Lew Tambs know that this was coming? [redacted]
[redacted]

N 12611

[Public Affairs Campaign on Central America 09/25/86 11:23:45
MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA
To: NSJMP --CPUA

4 May 87

*** Reply to note of 09/13/86 12:01
NOTE FROM: OLIVER NORTH
Subject: Public Affairs Campaign on Central America
Elliott Abrams has just called from New York, followed by an urgent call from
[redacted] Last night Costa Rican Interior Minister Garron held a press conference
in San Jose and announced that Costa Rican authorities had discovered a secret
airstrip in Costa Rica that was over a mile long and which had been built and
used by a Co. called Udall Services for supporting the Contras. In the press
conference the minister named one of Dick's agents (Olmstead) as the man who
set up the field as a "training base for U.S. military advisors." Damage
assessment: Udall Resources, Inc., S.A. is a proprietary of Project Democracy.
It will cease to exist by noon today. There are no USG fingerprints on any of
the operation and Olmstead is not the name of the agent - Olmstead does not
exist.
We have moved all Udall resources ($40K) to another account in Panama, where
Udall maintained an answering service and cover office. The office is now gone
as are all files and paperwork. The bottomline is that [redacted]
[redacted] [redacted] Elliott has said that he and the Secretary [redacted]

JMP 39/148 (25: 26)

3-197

N 12612

#35

FILE: SCP06 [redacted] AO WHITE HOUSE COMMUNICATIONS AGENCY

Public Affairs Campaign on Central America
MSG FROM: NSJMP --CPUA TO: NSWRP --CPUA 09/25/86 18:57:13
To: NSWRP --CPUA

*** Reply to note of 09/25/86 13:25 -- [redacted] --

NOTE FROM: JOHN POINDEXTER
Subject: Conventional Arms Control Options - package 90662

4May87

JMP. 3a 149

3-198

See Hearing Exhibit C/CATF-36

570-blank

CHAPTER 4. PRIVATE FUNDRAISING: THE CHANNELL-MILLER OPERATION

UNCLASSIFIED

4-4

[redacted]

Attachment 3
to
Application for Recognition of Exemption - Form 1023
of
NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

Part III - Item 3

The specific purpose for which National Endowment for the Preservation of Liberty was formed is to educate members of the general public on American political systems and societal institutions. This purpose is to be accomplished through analyses, study and research into the historical development and evolution of American political sytems and the inflemnces such systems have had on societal institutions in the United States. In furtherance of this purpose, National Endowment for the Preservation of Liberty will collate and disseminate information on American political systems in general, and the interrelationship between such systems and societal institutions.

Organized in the belief that a better understanding and appreciation of the interrelatioinship between American political systems and institutions will assist in predicting trends and developments in each of these areas, National Endowment for the Preservation of Liberty will make available understandable and informative material designed to educate citizens on the historical developments and evolution of such systems and institutions. This will be done through an interdisciplinary approach by research and study into such disciplines as history, sociology

~~[illegible]~~/Release on [illegible] under provisions of E.O. [illegible]

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C-1- H 04477

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[redacted]

and politics. National Endowment for the Preservation of Liberty will focus particular attention on the interrelationship of American political systems and societal institutions by analyzing the evolution and developments of each and the influence or effect such developments have had upon the other. It is intended that this research shall result in a better understanding and appreciation for the interrelationship between such systems and institutions and be of assistance to those who evaluate or forecast trends and developments in these areas.

In the area of obtaining information, National Endowment for the Preservation of Liberty will review and catalog speeches, books, articles, publications and other writings in the general area of American political systems and societal institutions and specific aspects within that sphere that focus on the interrelationship between the two. Additionally, National Endowment for the Preservation of Liberty will solicit opinions, information and positions from politicians, scholars, columnists, political activists and other interested persons on the evolution, development and trends within our political systems. From time to time, National Endowment for the Preservation of Liberty will assist financially in the publication of books, articles, studies and other materials by respected authors and organizations interested in political theory. National Endowment for the Preservation of Liberty will cooperate and coordinate its activities with groups having similar objectives and lend its

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[redacted]

[redacted]

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resources and facilities to interested scholars, political theorists and other individuals concerned with American political systems and societal institutions.

National Endowment for the Preservation of Liberty research and interpretations will be conducted by experts in their respective fields. Coordination for various projects, including the dissemination of information, will be handled through a professional staff in the office of the Corporation. All information gathered by National Endowment for the Preservation of Liberty, such as research data, book reviews, articles, writings and publications, will be made available for public review. The Corporation will regularly mail newsletters, studies, publications, research and data to colleges, universities and other educational institutions in an effort to increase the public interest in and appreciation of American political systems and societal institutions. Ultimately, the Corporation plans to publish a series of booklets on various subjects of American history and a pamphlet on new political thought, which will be made available to the general public and contain articles and other information and materials relevant to its purposes.

The Corporation will also actively solicit invitations from experts and spokesmen to address gatherings, conventions, colleges, universities and other interested groups. The Corporation will recruit, advertise and schedule its spokesmen, thus

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[redacted]

enabling the organisation to provide intelligent, articulate spokesmen to any interested group. Ultimately, National Endowment for the Preservation of Liberty plans to conduct a series of seminars discussing questions of long-term interest to Americans. Seminar subjects currently under consideration by the Corporation are the political and societal institutions in the Soviet Union and the People's Republic of China in comparison to such American systems and institutions, and a seminar devoted to new political currents in America.

Whatever the contents of any publication, article or writing consists of, it is submitted that the content will be educational. An analysis of the evolution and developments of American political systems and societal institutions, can best be achieved through the written word, providing the reader with an opportunity of studying the various theories at leisure.

The materials to be published will be prepared by individuals who are experienced and knowledgeable in the particular aspect of political systems and the issues being addressed therein. As such, the information contained therein will be readable and articulate. The Corporation will assure papers, prepared by responsible educators, scholars and other interested persons will be published as submitted to National Endowment for the Preservation of Liberty and without editorial comment.

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[redacted]

[redacted]

The Corporation will distribute its publications free of charge to selected schools, colleges, universities and other educational institutes. The extent of such free distribution will be governed by the financial resources of the Corporation. Publications also will be made available in response to requests from individuals and others at a price calculated to reimburse the Corporation for the cost of publication. The Corporation intends to copyright its publications, but will permit reproduction without prior permission so long as proper attribution is given.

Chapter 4, Tr

4-5

UNCLASSIFIED

[redacted]

Internal Revenue Service
District Director

UNCLASSIFIED

Department of the Treasury

[redacted]

Date: DEC 12 1984

Employer Identification Number:

Accounting Period Ending:
December 31

Foundation Status Classification:
509(a)(1) and 170(b)(1)(A)(vi)

Advance Ruling Period Ends:
December 31, 1986

Person to Contact:
R D Rhees

Contact Telephone Number:
485-3100

National Endowment for the
Preservation of Liberty
305 Fourth Street, N.E. Suite 1000
Washington, D.C. 20002

Dear Applicant:

C H 004437

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in sections 509(a)(1) and 170(b)(1)(A)(vi) *

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins on the date of your inception and ends on the date shown above.

Within 90 days after the end of your advance ruling period, you must submit to us information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and donors may continue to rely on the advance determination until the Service makes a final determination of your foundation status. However, if notice that you will no longer be treated as a section * organization is published in the Internal Revenue Bulletin, grantors and donors may not rely on this determination after the date of such publication. Also, a grantor or donor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section * status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section * organization.

31 Hopkins Plaza, Baltimore, MD 21201

Letter [illegible](DO) (Rev. 10-83)

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under provisions of E.O. 12356

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If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. Also, you should inform us of all changes in your name or address.

[redacted]

As of January 1, 1984, you are liable for taxes [redacted] Contributions Act (social security taxes) on remuneration of $100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

You are required to file Form 990, Return of Organization Exempt from Income Tax, only if your gross receipts each year are normally more than $25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of $10 a day, up to a maximum of $5,000, when a return is filed late, unless there is reasonable cause for the delay.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

C H 004439

Sincerely yours,

District Director

"CC" Power of Attorney

J. Curtis Herge
R. Mark Christensen
Sedam & Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

C H 004438

Letter 1045(DO) (Rev. 10-83)

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47-49

Comptroller General
of the United States
Washington, D.C. 20548

11649

B-229069

4-21

September 30, 1987

The Honorable Jack Brooks
Chairman, Committee on
Government Operations
House of Representatives

The Honorable Dante B. Fascell
Chairman, Committee on
Foreign Affairs
House of Representatives

Dear Mr. Chairmen:

This responds to your joint letter of March 31, 1987, requesting this Office to conduct an investigation and render a legal opinion on the legality and propriety of certain activities of the Office for Public Diplomacy for Latin America and the Caribbean (S/LPD) of the Department of State. Subsequent discussion with your staff limited the scope of the legal opinion to the issues of alleged lobbying and the development and dissemination of propaganda from 1984 to the present.

We conducted a review to develop the facts regarding the lobbying and propaganda issues, which consisted of interviews of knowledgeable individuals and a search of the S/LPD files. As a result of our review, we conclude that S/LPD's activities involving the preparation and dissemination of certain types of information violated a restriction on the use of appropriated funds for publicity or propaganda purposes not authorized by the Congress. We do not believe, however, that available evidence will support a conclusion that the applicable antilobbying statute has been violated. We are presently continuing a review of certain other S/LPD activities, and will keep you informed of our progress on a periodic basis.

THE PROPAGANDA ISSUE

According to Ambassador Otto J. Reich, who directed S/LPD from 1983 until 1986, the Office of Public Diplomacy for Latin America and the Caribbean was established within the Office of the Secretary of State in 1983 to engage in a campaign to influence the public and the Congress to support increased funding for the Administration's Central American policy. In pursuit of its public diplomacy mission, S/LPD used its own staff, and let a number of contracts with

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outside writers, for articles, editorials and op-ed pieces in support of the Administration's position. Generally, S/LPD employed direct and overt methods in using the media to favorably influence the public to support the Administration's Central American Policy. However, information developed during the course of our investigation demonstrates that, on occasion, S/LPD also arranged for the publication of articles which purportedly had been prepared by, and reflected the views of, persons not associated with the government but which, in fact, had been prepared at the request of government officials and partially or wholly paid for with government funds.

For example, S/LPD arranged for a university professor, who was also paid as a consultant to S/LPD, to write a newspaper article in support of the Administration's Central America policy without alerting readers or, apparently, the newspaper that the government was involved. S/LPD described this technique in a March 12, 1985, internal memorandum to another Department of State office. Attached to that memorandum was an op-ed article entitled "Nicaragua is Armed for Trouble," which was ostensibly written exclusively by Professor John Guilmartin of Rice University, and published in the March 11, 1985 issue of the Wall Street Journal. The memorandum states that "Professor Guilmartin, who is a consultant to our office, and the Public Diplomacy staff worked extensively on this piece." However, the published article lists the author solely as John F. Guilmartin, Jr. and describes him as follows:

> "Mr. Guilmartin is adjunct professor of history at Rice University in Houston. He was formerly a lieutenant colonel in the U.S. Air Force and editor of the Air University Review."

The Guilmartin article was one of five "white propaganda" operations described in a March 13, 1985, memorandum from S/LPD to the Assistant to the President and Director of Communications. The memorandum stated the following about the article:

> "Attached is a copy of an op-ed piece that ran two days ago in The Wall Street Journal. Professor Guilmartin has been a consultant to our office and collaborated with our staff in the writing of this piece. It is devastating in its analysis of the Nicaraguan arms build-up. Officially, this office had no role in its preparation."

The memorandum also described as follows the use of consultants to write op-ed pieces for Nicaraguan opposition leaders:

> "Two op-ed pieces, one for The Washington Post and one for The New York Times, are being prepared for the signatures of opposition leaders Alphonso Rubello, Adolpho Callero and Arturo Cruz. These two op-ed pieces are being prepared by one of our consultants and will serve as a reply to the outrageous op-ed piece by Daniel Ortega in today's New York Times."

A third item in the memorandum describes the use of a "cut-out" to arrange visits to various news media by a Nicaraguan opposition leader. Although the term is not defined, it appears to reflect an intention to hide the fact that the opposition leader's visits were being arranged by the government. The closing paragraph of the memorandum explains that S/LPD will not communicate its activities on a regular basis to the Director of Communications in part because "the work of our operation is ensured by our office's keeping a low profile."

The memorandum, which is enclosed with this opinion, was initially classified by the Department of State as "Confidential." Following our request, it was declassified by the Department on September 10, 1987. Three other documents similarly were declassified following our request.

The use of appropriated funds by the Department of State for certain types of publicity and propaganda is prohibited. Section 501 of the Departments of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act, 1985, Pub. L. No. 98-411, August 30, 1984, 98 Stat. 1545, which provided fiscal year 1985 funding for the Department of State, reads as follows:

> "Sec. 501. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress."

The legislative history of section 501 is silent as to the intended effect of the restriction. See H.R. Rep. No. 197, 99th Cong. 1st Sess. 90 (1985). This Office has had numerous occasions in the past to interpret language similar to section 501. We have held that such a provision prohibits the use of federal funds for two distinct types of publicity and propaganda activities.

First, it prohibits "self-aggrandizement" activities on the part of a federal agency, which have been described by our Office as publicity activities of a nature tending to emphasize the importance of the agency or activity in question. 31 Comp. Gen. 311, 313 (1952), B-212069, October 6, 1983. Self-aggrandizement is not an issue in the present situation.

Second, we have construed the language of section 501 as prohibiting covert propaganda activities of an agency, which is the issue involved in the situations described above. In our decision B-223098, October 10, 1986, we held that editorials in support of a proposed reorganization of the Small Business Administration (SBA) prepared by SBA for publication as the ostensible editorial position of newspapers to which the editorials were submitted, were misleading as to their origin and reasonably constituted "propaganda" within the common understanding of that term.

We conclude that the described activities are beyond the range of acceptable agency public information activities because the articles prepared in whole or part by S/LPD staff as the ostensible position of persons not associated with the government and the media visits arranged by S/LPD were misleading as to their origin and reasonably constituted "propaganda" within the common understanding of that term. Therefore, under the rationale enunciated in B-223098, supra, these activities violated the "publicity and propaganda" prohibitation of section 501.

We have been unable to estimate the amount of effort and funds expended on covert propaganda operations. Materials contained in S/LPD files indicate that covert propaganda operations were conducted on several other occasions and were not separated from routine legitimate activities. In view of the difficulty in determining the exact amount expended illegally, as well as the identity of any particular voucher involved, we conclude that it would not be appropriate in these circumstances to attempt recovery of the funds improperly expended. We recommend that the Department of State take action to insure that violations of appropriations restrictions contained in section 501 do not occur in the future.

THE LOBBYING ISSUE

The S/LPD staff carried on many activities designed to influence the public and the Congress to support the Administration's Central American policy, in keeping with the purpose for which S/LPD was established. Ambassador Reich gave a briefing to the Secretary of State in which he explained that S/LPD's objective in attempting to influence Congress was:

> "To gain sufficient bipartisan support in Congress to permit approval of increased assistance, economic and military, to Central America and to preclude crippling restrictions on actions in support of U.S. policy objectives in the region."

Sometime in 1983, S/LPD developed a close working relationship with a public interest group entitled "Citizens for America" (CFA). CFA is a nationwide grass roots organization engaged in lobbying and fund raising activities on behalf of Nicaraguan Contra causes. CFA has its headquarters in Washington, D.C. and is organized into regions and local district committees throughout the country, which are staffed with volunteer workers. Volunteers receive periodic instructions from CFA's Washington headquarters, when legislative action is scheduled in the Congress, to call and write members of Congress, to write letters-to-the-editor and op-ed pieces, and call in and appear on radio talk shows in support of the Administration's policy on Central America.

On March 4, 1984, the Chairman of CFA wrote the Secretary of State informing him of the details of his grass roots lobbying effort in support of the Administration's policy. Ambassador Reich, then head of S/LPD, prepared a draft response letter to the Chairman for the Secretary to sign. In the transmittal memo, Ambassador Reich described the close working relationship between CFA and S/LPD as follows:

> "Citizens for America has been carrying out a public education campaign on Central America.
>
> "Our office has a very good working relationship with Citizens for America and has provided CFA with a great deal of information.
>
> "A word of encouragement and appreciation from you would go a long way toward letting CFA know we recognize and value their efforts."

Again on July 3, 1984, the CFA Chairman wrote the Secretary of State making the following request:

> "We hope you will be able to contribute a one-page letter to our 'action kit' voicing your support for this vital aid and your feeling that Congress must address the issue this summer.

> "This request is urgent. Your contribution will mean more op-ed pieces, letters to the editor, calls to Congressmen, and radio and television interviews -- the elements of grass-roots support so vital for effective political action.
>
> "Thanks so much for your help. Anne Barton will be in touch with a member of your staff today to provide any details you might need."

Ambassador Reich prepared a draft response letter for the Secretary of State to sign. The draft letter was not used. Instead, the Office of the Secretary sent Ambassador Reich an extract from a statement by Secretary Shultz before the Subcommittee of Foreign Operations of the House Appropriations Committee on March 16, 1983, and instructed him to reply to the CFA Chairman. We could not locate a copy of Ambassador Reich's reply to CFA.

The annual Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act,[1] under which the Department of State receives its appropriations, does not contain a restriction on the use of such funds for lobbying. The only antilobbying legislation relevant to these circumstances is 18 U.S.C. § 1913, which reads in part as follows:

> "No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business."

Section 1913 further provides for penalties of a fine, imprisonment, and removal from federal service.

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[1] See, e.g., Pub. L. No. 98-411, August 30, 1984, 98 Stat. 1545.

Because 18 U.S.C. § 1913 provides for criminal penalties, its interpretation and enforcement is the responsibility of the Department of Justice. This Office may, however, refer appropriate cases of apparent violations of 18 U.S.C. § 1913 to the Justice Department for prosecution. *See*, *e.g.*, B-212235(1), November 17, 1983 (Commerce Department publication favoring revision of Export Administration Act referred to Justice). To our knowledge, there has never been a prosecution under this statute. B-217896, July 25, 1985. In addition, only a few court decisions have cited the statute and generally they have not dealt with the question of a violation, but have been concerned with peripheral issues. *See*, *e.g.*, *National Association for Community Development v. Hodgson*, 356 F. Supp. 1399 (D.D.C. 1973); *American Public Gas Association v. Federal Energy Administration*, 408 F. Supp. 640 (D.D.C. 1976). *See* B-214455, October 24, 1984.

The Department of Justice interprets 18 U.S.C. § 1913 to apply only when funds are spent in a grass roots lobbying effort, where an attempt is made to induce members of the public to contact their representatives in Congress to persuade them to either support or oppose pending legislation. B-216239, January 22, 1985; 63 Comp. Gen. 624, 625-226 (1984).

We note that 18 U.S.C. § 1913 prohibits the use of appropriated funds for printed or written matter intended or designed to influence legislation pending before the Congress. If S/LPD expended any appropriated funds to develop the information provided to CFA, such expenditure might constitute a violation of 18 U.S.C. § 1913. On the other hand, if the information provided CFA was readily available within the Department of State, the expenditure of funds would not have been necessary, and the statute would not have been violated. *See* B-129874, September 11, 1978. We have not found any evidence indicating that S/LPD expended appropriated funds for such information. The only document found during our investigation that was given to CFA by S/LPD was a copy of testimony presented by the Secretary of State at a congressional hearing and was readily available. Accordingly, we found no evidence that would lead us to conclude that S/LPD violated 18 U.S.C. § 1913 in its relationship with CFA.

SUMMARY AND CONCLUSIONS

S/LPD engaged in prohibited, covert propaganda activities designed to influence the media and the public to support the Administration's Latin American policies. The use of appropriated funds for these activities constitutes a violation of a restriction on the State Department annual appropriations prohibiting the use of federal funds for publicity or propaganda purposes not authorized by the Congress.

S/LPD also developed a close mutually supportive relationship with CFA, a nationwide grass roots organization engaged in lobbying and fund raising activities on behalf of Nicaraguan Contra causes. S/LPD acknowledges giving CFA a great deal of information. However, we have not found any evidence that S/LPD officials violated the applicable antilobbying statute.

Unless you publicly announce its contents earlier, we plan no further distribution until 30 days from the date of this opinion. At that time, we will send copies to interested parties and make copies available to others on request.

Sincerely yours,

Harry R. Van Cleve
for Comptroller General
of the United States

Enclosure

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FILE COPY

United States Department of State

Washington, D.C. 20520 S[illegible] 657

March 13, 1985

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY [illegible] DATE 9-16-[illegible]
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TS AUTH. [illegible] REASON(S) ______
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DECLASSIFIED ☑ RELEASABLE ☐
RELEASE DENIED ☐
PA or FOI EXEMPTIONS ______

~~CONFIDENTIAL/EYES ONLY~~

TO: Mr. Pat Buchanan
Assistant to the President and
Director of Communications
The White House

FROM: S/LPD - Johnathan S. Miller

SUBJECT: "White Propaganda" Operation

Five illustrative examples of the Reich "White Propaganda" operation:

- Attached is a copy of an op-ed piece that ran two days ago in The Wall Street Journal. Professor Guilmartin has been a consultant to our office and collaborated with our staff in the writing of this piece. It is devastating in its analysis of the Nicaraguan arms build-up. Officially, this office had no role in its preparation.

- In case you missed last night's NBC News with Tom Brokaw, you might ask WHCA to call up the Fred Francis story on the "Contras." This piece was prepared by Francis after he consulted two of our contractors who recently had made a clandestine trip to the freedom fighter camp along the Nicaragua/Honduras border (the purpose of this trip was to serve as a pre-advance for many selected journalists to visit the area and get a true flavor of what the [illegible]edom fighters are doing; i.e., not baby killing). [illegible]ough I wasn't wild about the tag line, it was a [illegible]tive piece.

- Two op-ed pieces, one for The Washington Post and one for The New York Times, are being prepared for the signatures of opposition leaders Alphonso Rubello,

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Adolpho Callero and Arturo Cruz. These two op-ed pieces are being prepared by one of our consultants and will serve as a reply to the outrageous op-ed piece by Daniel Ortega in today's New York Times.

- Through a cut-out, we are having the opposition leader Alphonso Rubello visit the following news organizations while he is in Washington this week: Hearst Newspapers, Newsweek Magazine, Scripps Howard Newspapers, The Washington Post (Editorial Board), and USA Today. In addition, the CNN "Freeman Report," the "McNeil-Lehrer Report," the "Today Show" and CBS Morning News have been contacted about the availability of Mr. Rubello.
- Attached is a copy of a cable that we received today from Managua. The cable states that Congressman Lagomarsino took up Daniel Ortega's offer to visit any place in Nicaragua. You may remember that Ortega received a good deal of publicity on his "peace" proposal when he stated that he welcomed visits by Members of Congress, stating that they would be free to go anywhere they wished. As the cable notes, the Congreman's request to visit an airfield was denied. Do not be surprised if this cable somehow hits the evening news.

I will not attempt in the future to keep you posted on all activities since we have too many balls in the air at any one time and since the work of our operation is ensured by our office's keeping a low profile. I merely wanted to give you a flavor of some of the activites that hit our office on any one day and ask that, as you formulate ideas and plans of attack, you give us a heads-[illegible] since our office has been crafted to handle the con[illegible] that you have in getting the President's program for [illegible] freedom fighters enacted.

Attachments:

1. Op-ed piece by Professor Guilmartin.
2. 85 Managua 1523.

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The Wall Street Journal
March 11, 1985
Editorial Section, Page 28

S 11659

Nicaragua Is Armed for Trouble

By John F. Guilmartin Jr.

Remember last year's controversy over the alleged delivery of MiG fighters to Nicaragua? Once it was established that what actually had been delivered were helicopters and not MiGs, almost no one bothered to ask what 12 fast, sophisticated, well-armed, long-range helicopter gunships could do to the armed forces of Central America or what their arrival might represent in terms of Sandinista strategy.

Shortly before the U.S. elections, media reports surfaced of a Soviet freighter bound from the Black Sea with a cargo of large boxes that, according to reconnaissance satellites, included those of a type used to ship jet fighter aircraft. Though reports were equivocal, concern mounted about the cargo and its destination. The most likely candidate was supersonic MiG-21s: High-technology warning bells went off in U.S. news rooms.

As the ship neared Nicaragua's Pacific port of Corinto (and as the U.S. election neared) speculation ran at fever pitch.

The bubble of fevered speculation burst with an anticlimactic "pop" when Sandinista Foreign Minister Miguel d'Escoto announced, in a statement more or less confirmed by official U.S. spokesmen, that the crates contained not MiGs, but other arms including helicopters. The news was all the more anticlimactic because an earlier shipment of Soviet helicopters apparently had been unloaded, all but unremarked, on Nicaragua's Atlantic coast the previous week. The helicopters were Mi-24 "Hinds," the world's most heavily armed, sophisticated and fastest gunships. It is likely the second shipment of crates contained additional Hinds. The copters received scant attention, as did the [illegible] that the crates might also [illegible] L39 jet trainers. The U.S. [illegible] in the Reagan [illegible] an almost audible sigh of [illegible]

They Looked Fo[illegible]

their power and rotor blades of lift, making helicopter operations a marginal proposition, particularly in summer. Forced by limited power to fly low along valleys, helicopters are vulnerable to plunging fire from the peaks and ridgelines above. Afghanistan is not a fair test for the Hind.

But over rolling jungle terrain at low altitudes, the Hind is in its element. Its impressive underwing ordnance (it can carry in excess of 2,800 pounds of 57-mm rockets, bombs and precision-guided antitank missiles) and its sophisticated turret-mounted rotary 12.7-mm gun make it a flexible and thoroughly capable weapons system. Its fire-control system is both sophisticated and reliable. Unlike Western gunships, it can carry from six to eight troops.

Pitted against the feeble or nonexistent antiaircraft defenses of the non-communist Central American powers, the Hind represents an awesome capability, with or without top cover from MiGs. Flying low beneath the thin radar net and hugging the terrain, it can slip into neighboring countries with impunity. It can attack patrols and border posts with surgical precision, going as slow as necessary to do the job.

In the down and dirty game of slipping across a border, bagging a Honduran or Salvadoran C-47, and slipping back, all underneath radar coverage and hence undetected, the Mi-24 would be supreme. Distances are short in Central America and

> *The media have focused on the icing—the MiGs—and missed the fact that a Soviet-style offensive arms cake has been baked beneath our noses.*

other armored vehicles spearheading an army larger than that of any of its neighbors, augmented by a sophisticated ground-based antiaircraft system, boasting SAM-7s, radar-directed 57-mm guns and highly mobile ZSU 23-4s, the implications of their arrival in Nicaragua are chilling. With the delivery of high-performance MiGs for top cover and deep interdiction strikes, the classic Soviet-style blitzkrieg package will be complete.

In all of this, we have missed something important. It is not that acceptance by the U.S. media, if not the Reagan administration, of the delivery of jet trainers and helicopters to Nicaragua has established a precedent for the subsequent delivery of MiGs. That is valid as far as it goes. The real point is twofold: The L39s and Mi-24s, particularly the latter, represent a major threat in themselves. Second, their arrival must be viewed as one more piece of a greater puzzle, the formation in Central America of a classic Soviet-style offensive combined arms team. And make no mistake: The Soviet doctrinal model, which the Sandinistas are clearly following, is inherently offensive in nature.

The initial MiG statement by U.S. aides came on Nov. 2. By Nov. 12, the Sandinista ambassador to Spain, Orlando Castillo, told reporters his government's position: No, Nicaragua did not have MiGs—yet. Yes, it had every intention of obtaining same as soon as it could—for self-defense. Thus the impending arrival of the last piece of the puzzle was announced.

Effective for Offense

Now, four months later, as we wait for the other shoe to drop, we are confronted by the release of a report last week by the Council on Hemispheric Affairs assuring us that the Sandinista buildup is intended only to counter a feared U.S. invasion and—as essential corollary—that it is [illegible]

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Department of State

INCOMING TELEGRAM

[illegible]

[illegible]

INFO [illegible]

[illegible]

[illegible] MANAGUA [illegible]

TO SECSTATE WASHDC IMMEDIATE [illegible]

INFO [illegible] COLLECTIVE

[illegible]

[illegible]

[illegible]

E.O. 12356: N/A

TAGS: [illegible]

SUBJECT: GON REFUSES CODEL [illegible] PERMISSION TO INSPECT MILITARY INSTALLATIONS

REF: STATE [illegible]

1. THE GOVERNMENT OF NICARAGUA HAS REFUSED TO ALLOW THE [illegible] CONGRESSIONAL DELEGATION [illegible] MILITARY INSTALLATIONS. THE [illegible] TO INSPECT [illegible] FOR THE CODEL TO INSPECT [illegible] THE AIRPORT OF PUNTA HUETE AND THE [illegible] DIPLOMATIC NOTE DATED MARCH 17, SAID THAT THE [illegible] TO INSPECT NICARAGUAN MILITARY [illegible] BI-PARTISAN DELEGATION. THE NOTE SAID THAT THE [illegible] BI-PARTISAN DELEGATION [illegible] PART OF THE OFFICIAL BI-PARTISAN [illegible] AND SAID THAT THE "FACILITIES OFFERED IN PRESIDENT ORTEGA'S LETTER OF INVITATION WILL BE GRANTED TO THE OFFICIAL BI-PARTISAN DELEGATION, AS SOON AS IT IS NAMED AND IS PRESENT IN NICARAGUA."

2. THE FOLLOWING IS THE SPANISH TEXT OF THE NOTE.

BEGIN TEXT:

EL MINISTERIO DEL EXTERIOR DE LA REPUBLICA DE NICARAGUA [illegible] DE LOS ESTADOS UNIDOS [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

END TEXT.

[illegible]

S 11650

Partially Declassified/Released on 4/26/88 under provisions of E.O. 12356 by B. Reger, National Security Council

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ch. 4 ..

4-27

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M&F
Miner and Fraser & Public Affairs, Inc.

N 6298

December 28, 1984

PERSONAL AND CONFIDENTIAL

Mr. Oliver L. North
Deputy Director
Political-Military Affairs
National Security Council
Old Executive Office Building
17th & Pennsylvania Avenue, N. W.
Room 392
Washington, D. C. 20506

Dear Ollie:

In addition to the memorandum updating you on several items regarding the Nicaraguan Refugee Fund, I felt it important to give you the background of the Sultan. Since much of the title was spelled over the phone, let me try by listing the following:

HIS MAJESTY THE SULTAN YANG DIPERTUAN NEGARA
Brunei, Darussalam Istana
Unral Iman

Sir Hassanal Bolikah Bandar Seri Begawan
His Majesty, Sir MUDA HASSANAL BOLIKAH
Mu'Izzaddan WADDAULAH
The 29th Sultan, 38 years old

Background: We checked with the First Lady's assistant, Elaine Crispen. Indeed, this SULTAN gave a half million dollars to the National Federation for Parents for the Drug Abuse Program. Apparently he gave another half million dollars to UNICEF. Naturally, it has been recommended that he might kick in a million dollars of that for the Refugees for Central America. This is important as it must be a clear opportunity for this country to endorse that intiative and thank the Sultan. It would appear to me that if the Nancy Reagan Drug accepted his generous contribution, we could, also.

Thank you very much. Sorry for all the long names. I think you understand.

~~Declassified~~/Released on [illegible]
~~under provisions of E.O. 12356~~
by J. Reger, National Security Council

Sincerely,

Edie Fraser

Edie Fraser

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BKD, FBI
12-12-86
N/5-6

1090 Vermont Ave. NW Washington, DC 20005 (202) 371-1515

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Chapter 4

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FDN

FUERZA DEMOCRATICA NICARAGÜENSE

April 10, 1985

C H 032022

Mr. Carl Russell Channel
305 Fourth Street, N.E.
Washington, D.C. 20002

Dear Spitz,

I am writing to enlist your help in the cause of democracy and freedom for Nicaragua.

We, members of the Nicaraguan Democratic Resistance, seek freedom and human rights in Nicaragua. We fight and die each day to bring this dream to our country.

Our ranks have swelled to more than 15,000. Yet, this is just the tip of the iceberg. Thousands of Nicaraguans stand ready to aid our struggle but lack the means to do so. The resources we seek will bring thousands of people to us who have been standing idle, waiting for material support.

Please help us to achieve our dream, a free and democratic Nicaragua, not tied to a hostile Soviet threat but to a peaceful democratic American tradition.

All resources you can raise will be appreciated. We can put all of them to good purposes.

Richard Miller and Frank Gomez can keep you informed of our progress and serve as our contact point in the United States.

God speed and good wishes.

Adolfo Calero

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It's the largest best organized and most effective and it's the one that has the U.S. support for the longest period of time.

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We're helping them now to coordinate their Washington activities. We've established an office for them. We've found people to do their congressional affairs for them on a gratis basis.

We're doing the media coordination for them and also the coordination of meetings as the circle goes out beyond just media & Congressional relations. Now into fund raising & administrative & Logistical things.

Who pays?

They do. And it's precious money to them when they're late on expenses as difficult as it may be you have to remind yourself that somebody died down there today. You can't really get mad.

Once they've left the country like that aren't they totally dependent on donations of one kind or another?

No, they really haven't left the country. the in a pocket [redacted] Which is disputed territory. [redacted]

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They go on missions that last 6 to 9 months.

Several of the fighters impressed upon me how much more comfortable they are in the field fighting. They siad they eat better, they sleep better. Their with their people. They're being given food & intelligence and a place to sleep and so on. they actually prefer to be in the field to the camp.

Although they have to go back to the camp for orientation, for instruction for R & R.

Do these people all have redios, so they know what's going on?

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There are [redacted] regional commands with from anywhere fro[redacted] men. Each of those commands is in radio contact with headquarters.

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Is that command moving too?

Yes. They're moving also.

We figure now as many as [redacted] young men, and in some cases, older men, across the border, inside Nicaragua, waiting to come over, but there aren't weapons and boots for them.

The main thing I wanted to find out is what his needs really are, how his weapons are.

The second point is that the people in the camps are primarily there for R & R and for re-supply. the war is not a set-piece battle. It is an insurgency. And, in fact, they have about [redacted] insurgents whereas the Sandanistas, when they won, only had about 3,500.

So even though they're so out-gunned, in terms of technology and weaponry, [redacted] in a country of 2.5 million is a hell of a big insurgency.

The [redacted] can tie up a 100,000 man army.

The Nicaraguan army is 100,000. There are nearly as many Cubans in Nicaragua as there are freedom fighters.

They need the Cubans and their tanks to keep their own people around.

If freedom is alive and well in Nicaragua, they don't need 100,000 people to try to snuff out [redacted] guerillas. Originally, during the opposition to Somoya, the people did have shotguns and pistols. Because the struggle against Somoya had been going on for several years, as a matter of fact, at the time Costa Rica was a conduit for arms to the Sandanista forces and o provide the popular uprising and that is eventually what happened.

So the poeple are armed. In view of this, the Sandanistas have even cleared the militia, which is part of that 100,000 men under arms. And they're not fearful of providing arms to people, but they keep them under control through various survellance techniques, such as what Cubans call Sandanista Defense Committees Block Committees.

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Anybody who even begins to look like they're getting out of line is informed upon. N36922

And that's a tough apparatus to fight today in Nicaragua.

But, we have been in touch, because of our experience, with the entire range of the armed and the political opposition to the Contras and when Rich was talking about the [redacted] arms, he's not referring to the Mosquitas. There's 2 Mosquit groups. There's the Misura Brooklyn Rivera and Steadman Fagoth and Misurasata and then there is Misurasata, which is a combination of Sumu, Rama and _____ indians which has aobut another [redacted] men under arms, plus the [redacted] under ARDE, the thing cthat grew out of it, which is the Democratic Revolutionary Alliance, which has many arms right now, about [redacted] But I was in [redacted] in March , , and there was one guerilla leader who told me they had [redacted] ready to fight, but they needed communications, books, weapons and leadership. They're ready to fight, but they needed communciations, We sent down a military expert to judge the viability. So that when he came back, he could be part of the Congressional debate. Becuase one of the disinformation pieces they used against the freedom fighters is that they're not militarily viable.

So we sent him down to look at it. He's a former Colonel in the Canadian Air Force. And he's a professor of International Relations at Boston University. He flew in Vietnam. His name is Yorkamatre. A real dynamic fellow.

But when he was down there, in fact NBC got it on film, they send an 800 man force against a 2,000 man contingent of artillery and infantry and routed them. They were getting ready to attack the camps. They took 13 casualties. 3 died. They killed 280. And routed the force entirely.

They took 180 AK47s. They took mortars, hand grenades.

See, what happens is, they get a lot of thes weapons back. And they don't have ammunition for them. They get AK47s and they don't have the ammunition for them.

What they do with their young recruits is they give them an old Spanish ball rifle, the FAL, the (old) bolt action, roll o one rifle, and his job is to go out with his rifle, and after he's had his training - you know they do give them training.

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They give them formation training and they give them li8ve ammunication training. It's very professionally done.

And his job is to come back with his FAL and an AK47.

And they all do it.

And then they turn their FALs back in. It goes to the next recruit.

It's like the gun we made in World War II for $2.50. It would shoot just one time. You use that to get a real gun. We dropped them by air in France.

The best I can tell, a shotgun is the best thing to use in jungle warfare.

On a very rapid fire machine gun. That's why the AK47s and the M16s are the best weapons.

The M16 fires a 22.5 caliber bullet.

I bet I could get 10,000 people to give their old shotgun to this.

Only one problem. You can't export guns for military use from the U.S.

One reason Rich and I almost feel excited about this __________, is because, on March 1, for the first time, the various opposition forces got together. They signed a document.

They've come to the realization that the opposition to the Sandanistas now is as broad, if not broader, than that which was there for Somoya.

The Miami Herald has turned around. The Washington Post has turned around.

Frank and I set up the editorial board for Arturo Crug and Alfonso Robello and we went over and it came out about the San Jose document in the headline of the lead editorial was "A Fair Offer to the Sandanistas."

$28 million is totally inadequate. (Alfonso Robello says) $14 million is doubly totally inadequate. A Hind helicopter costs well over $23 million and there's 12 of them and they're coming.

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__________ has said publically, so that the Sandanistas could hear

______________ secret radio communications in the field saying we have red-eyes. Its a big lie.

They're playing a psychological war against the Sandanistas.

The more sophisticated of the shoulder-held missles, the red-eyes. There's 2 different kinds. One that's a little less expensive and there's one that's $8,000. It can take it out.

And there was a scare about 3½ weeks ago. They called in the crews.

Texans are the most patriotic.

There really hasn't been a vehicle, almost before tonight, for a direct mechanism to them. Because it's been such delicate territory that nobody's really worked out the details on it.

I don't think that anybody who's sat with somebody at a table like this yet, it's going right there. It's buying these rounds. And its buying that missle. It's buying that boot.

Yes, this is the first.

They have lost a large portion, just because they've had to go through middle men.

There's nothing I hate worse than getting screwed. I'm scared to death any money I give to this thing is going to end up in somebodies pocket.

There isn't one dime that isn't going right into Adolfo Calero's hands. Not one dime.

I have known Adolfo Calero for roughly 2 years going on 3 years. He was jailed by the Sandnistas. He lead strikes against Somoya. He encouraged his own employees to go out on strike against Somoya.

Adolfo Calero was jailed by Somoya. But Adolfo Calerois a conservative.

Cruz is a social Democrat. He believes in a free economy but he believes in government support for a free economy which will never work. I used to work at AID and I've seen these kind.

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But the point is that the entire spectorum now is in opposition to the Sandanistas. The entire spectrum.

They jailed 114 Social Christians a month ago. It caused them incredible harm here in Washington.

But Adolfo Calero is a conservatie. He never gave in. He never gave in to the temptation of trying to negotiate with the Sandanistas.

After the elections, after the plans for the revolution, the state of Nicaragua, tell January, 1983, 2½ years after the time for revolution, he came to Washington to lobby for aid to the Sandanista government.

Since thn I have seen him on countless occasions, he has been so tired from working on behalf of his men and this cause.

As long as we stay on top, as long as we stay in the offensive position, they will be on the way out.

those guys are down there. They've got 2,000 Soviets. They've got 6,000 Cubans. There's 2,000 ____________.

It's not a set piece battle. The thing that has changed the equation are the Russian tanks, the Russian artillery and the Russian Hind helicopters.

How long do your boots last? Maximum 3 months. Why is that?

The humid. It's wet. And because they do a lot of walking. They're not riding in trucks. there are no trucks. They walk. And over pretty rough terrain.

They have done a pretty good job of getting their wounded cared for. Because, psychologically, you've got to have that.

[redacted]

These are Soviet-made land mines. They have been uncovered by the guerillas, disarmed, and brought back to camp. And they're going to re-arm them and place them again against the Sandanistas.

They don't even have their own mines.

Thats similar to a claymore.

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These are raw recruits. Look at the tin can this C guy Has. Instead of a conteen.

There's a lot of heavy terrain. They do a lot of ambushing.

When I was there, I asked why there were so many men in the camp. i want to know how many men you have her.

He said, "5,000."

I said, "How many do you have in the field?"

"Some for medical care; some for R & R; some to be re-supplied, refitted. But most of them because we don't have even a pack for them to carry their ammunition. They don't have boots.

What's happened is, the Sandanistas started their drive for military conscription. And they thought they would get support.

Instead, they got insurrection. In several of the major cities. Major insurrections. Coordinated insurrections.

And these boys came across the border. And their mothers and fathers sent them. They said, "If you're going to fight, fight for the side that will give you a choice. And that's why they fight.

That boy could have gone to Costa Rica. But they sent him to Honduras to fight instead.

He could have gone to Costa Rica and just cooled out. They sent him to Honduras to fight.

the reality is we're on the side of the angels with all this.,

The miracle that I know about is that these people that we were just talking about have the highest morale. It brings tears to your eyes to see these people.

Having survived and even grown since last may when the aid was cut off.

And they are having to tell people, "I'm sorry you cannot join us, you cannot fight, because we cannot give you a weapon to fight with. We cnnot give you boots so that you can go fight.

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There are 12 helicopters. And if there was one ready for each one of us, we're talking about $96,000.

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Half the forces now who are in opposition to the Sandanistas would turn the other way if Americans went to fight, and we don't need Americans.

I understand there are a bunch of Americans down there.

Yes, but they're volunteer trainers. There just doing training. They're in and out.

There are no Americans.

But you don't need them.

A [redacted] man insurgency against 40,000 full time rank and file military. 60,000 are militia. So [redacted] It's the technology thats throwing the whole thing out of kilter.

It's technology of Hind helicopters, Soviet tanks and the Soviet rapid fire assault rifles that everybody on the other side has. That's what's throwing it out.

If they had enough ammunition for the AK47s and they had enough red eyes to strategically place themselves.

How can you get the red eyes? Are they readily available?

Yeah.

They're getting arms on the international market. From everybody. [redacted]

But by the time you go through 2 or 3 wholesalers, aren't you paying 10 times the price?

They pay very carefully. They've got pretty good credit right now with the wholesalers. But it doesn't extend far enough to get the AK47 rounds they need on the red eye missles.

I would think they would be the first ones to start manufacturing AK47s.

No but they get them from [redacted] They can get the rifles, but they can't carry off the ammunition to supply the rifles.

And, there other suppliers.

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I'm not sure people need automatic weapons.

The insurgency has to live off the commodities available through success.

We can get you a briefing on exactly what their military needs are.

Calero wants those red eye missles. He wants boots. He wants back packs. He wants AK47 rounds which you can get on the international market. He wants communications equipment.

But $14 million could be spent in 2 months without batting an eye.

Reagan ought to forget the $14 million and start asking for a whole lot more.

The $14 million has already been appropriated by Congress. And it can be released under certain conditions stepulated by the Congress. So that's what we're stuck with.

The only reason they've succeeded so far is because of people like yourself who have provided the material support for them to keep going. And it's not just Americans.

There are [redacted] There are Central Americans who are bacing this effort.

The [redacted] have been backing this. Until it began to look like the United States might not really bother at the right time when they needed them.

Vice President Bush went to Honduras 2 weeks ago on his way back from Brazil where he attended the inaguration of the new president. [redacted]

The [redacted] need the same kind of issues. They're going to go with the winner. And yet they're hearing multiple voices out of this country. Not this administration, but this country.

They're hearing the President saying that these are Freedom Fighters, that they're our brothers and so on.

And they're hearing someone like Michael Barnes in the Congress saying, now wait. We're not out to topple governments.

It boils down to that.

The military aid, its surprising, boils down to back packs and boots. You'd think weapons would be the most important thing on the list.

If you were about to set out anywhere from 3 to 9 months walking deep into territory, jungle, roads, mountains, rain, and so on, and you knew that you were going to gone for a long time, you would want to have a good pair of shoes, wouldn't you?

Do they have much trouble with disease in that area?

They do all right.

We were going to rendevous with some reporters who were coming to look at the bases and son.

I had to travel with Calero and a couple of the members of the directorate of the FDN plus a Mosquito fighter who had been in training there and a few others.

And we loaded up in the two vehicles.

Where were you? In Nicaragua.

Yes, in the disputed territory in Nicaragua.

And, by the way, they control an enormous amount of territory there. They are supreme there. You drive down the road and you're out of the base camp and you've been going on the road for a half an hour and you see these guys walking along the road, and they're Contra. And you wave to them.

These guys look good.

In any case, we're going up these mountain roads and I am just about fit to be tied. Because, in a jeep, 4 wheel drive, with about 6 people, even though it's a mountain road, you feel that you ought to be able to at least go pretty well forward, right?

We were going like this.

Over the side, heavy of a load and I was on the side and I was looking

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down there and it's about 800 feet straight down.

This was about 4,000 or 5,000 feet altitude.

Jungle.

Temperature. It's warm maybe 75-80 degrees.

This is in good weather, this is dry season. But it rains a little bit and the roads are pretty bad.

In fact, some strategist think the best thing we could do for those people would be to get them a bulldozer so they could help maintain those roads.

In any case, we were going like this, and I literally six inches from going over. Six inches. Somebody was with us.

We stopped and I got out. And I looked at the tires on that jeep. It was a Toyota. And they were literally bald. Nothing there.

And that's what they're surving with.

And I said, "why haven't you got tires?"

And they said, "Because back packed and boots are more important than tires."

We sent Nightline's crew there and they did a very positive story. We worked very hard with them to make sure we had journalists were sympathetic. And I got this call from this producer when she came back.

I said, "How was it?"

She said, "It was fine. Except the part where we were going down the hill sideways."

They were in the same jeep that he was in. They hadn't changed the tires yet because they didn't have money to change them.

There is an entire group right now of Nicaraguan exiles who've been involved in the fighting themselves. One guy who's involved is setting up the anti-Pope demonstrations where they spit on the Pope and all that stuff. And we have these guys, in Washington, and in other areas, right now, sitting on their hands. Because there hasn't been the money to pay for their airplane tickets and other things to get them out to the districts, like Jim Wright's district, and have them speak up.

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Can you imagine what the reaction would be if the people in Jim Wright's district knew what they did to the Pope down there?

How about the Baptists they hand-grenaded? We have some of those. We have some Evangelicals who where hand-grenaded.

Let's show those on the tape.

We have been waiting for literally months. We have these people sitting, waiting, ready to go. And they could have been going earlier, but a couple people got cold feet about spending money for then to go out and do these things.

And it's a shame. Because they could have had major impact on the debate. Particlarly back in the home districts of these Congressmen and Senators that we're voting for.

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The beauty this time is that we are on the side of the insurgency which is the first time, except Afghanistan, but we can't get close enough to see it.

But we are on the side of the insurgency.

And if we can continue, as we've been working so hard to do, to turn the media around, they will start to romanticise about these guys who are the Democratic guerillas.

We going to call it the Shotgun Drive. And we're going to get Remington to put up the amo. Dupont owns Remington.

We're going to start on CBs. We're not even going to involve the electronic media until we get support or we have about 3 semis going north on Tobacco Road out of North Carolina full.

And they keep calling on another semi.

"We got an empty semi out there? Somebody got an 18-wheeler empty can come on down and help liberate Central America?"

But the organization who was in charge of putting it together utilized a Sandanista office in Managua to put together the report.

And we brought up thiq guy for a news conference and we had it last week and Time and Newsweek and AP and everybody reported on it. You look at Time magazine. This week's Times you'll see a little thing about a PR firm. That's us.

The point here is this U.S. Congressman stood up with people. He couldn't

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be that naive. He had to know who these people were.

He stood up with them. He had a news conference with them. And he sponsored their report. Which was clearly bought and paid for by a communist government in Managua.

Now that will scare the hill out of people.

The guy that did that Human Rights Study is a member of the National Lawyers Guild, which is a Communist front.

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It's paid for by the Soviet Union. Literally.

I don't see how anybody in thise country could rationally be a Communist.

There are rational Communists.

The reality is that they profess views which are very left. Socialists. And yet they're very willing to accept a Communist government.

ron Dellums was a perfect example. He knew exactly what was going on in Grenada. It was fine with him.

The reality is you have the right to be concerned and you have the duty to be suspicious.

Because anybody you'd elect to that position and would even do it out of naivete, shouldn't be there.

They shouldn't be there.

Calero was so tired, he couldn't even keep his eyes open when we were speaking with him on some very important issues.

What I mean to imply by describing him in that way is that this man is commited. He does not have to undergo what he is undergoing now.

One, if he did not believe in it. Or two, if he were using what resources he is receiving for personal gain.

He would not suffer that much.

We're going to see to it that man doesn't havet to come up here and beg anymore to be able to fight for freedom.

That's what we're going to do with you is

Where is his family? In Miami.

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They're scared in Miami, frankly.

Everytime we call there, we get a call from somebody else said "why did you call?"

It's a very difficulty mentality.

Well, Alfonse Robello, one of the 3 guys who met with Reagan, was hand grenaded in San Jose in November. He heard a crash. He was driving a little Renault. He was with his fiance. He heard a crash. Renault. He was with his fiance. He stopped the car. Put it in neutral. Opened the door and turned around like that and the grenade went off.

And it blew out both his eardrums and peppered him. Bloew out his fiance's back.

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Talk about terrorism.

They have had two attempts on Alfonse Robello. Two attempts on Eden Pastore. Two attempts on Anturo Cruz. And nobody has every tried to kill Daniel Ortega.

Nobody has ever tried to kill Byardo Arsis.

If you really want to know who has a policy of systematic violence, look to the Sandanistas.

Starlite scope. You can see at nite. Good for hundreds of yards. Made in Alabama.

This is Nicaraguans for Nicaragua. We have an indigenous, tiny force that grew up on its own accord, that matured of its own accord, and is only now.

The real reason we're here is a matter of personal conviction. There isnothing in it for us personally.

We are serving the larger and more mobile cause. That is the casue of freedom and democracy. Which we see threatened by the continuation of the Sandanista regime in Nicaragua.

It would be a shame if they won by default. If they won because they were willing to put in the money that gave them the technology to succeed where

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where sheer numbers and sheer political force wouldn't. Thats what's so disturbing to me about it.

What bothers me is what happens after they've won. Look at all these soldiers that have to go back to being peasant farmers.

Look at what's happened in Guatemala. Look at what happened in El Salvador.

The military held that news conference in El Salvador and they said, "We in tend to back this government and the results from this election."

And that ended the argument.

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Because heretofore they'd been the final arbitrator and here they were the preliminary arbitrator and they said, "This is fine," and that's the end of the argument.

And they put democracy on a sound footing in El Salvador.

And the same guys that are fighting now for the FDN, that's what they fought for, they're the same people who fought against Somoga! They were fighting for the same thing against Somoza that they're fighting for now. And it's democracy.

For me, the bottom line is, these are people who are willing to fight for their freedom and for democracy. So that we won't have to fight ourselves.

LULAC

People like Mario Obledo from the LULAC based in Texas, an Hispanic organization. Saw him on tv in Houston yesterday. He was going "Oh, no. we're hightening tensions and I'm afraid that our boys are going to have to go down there and fight."

Well, they damn well will fight unless we get behind the right side right now.

There are more Hispanic Medal of Honor winners than any other nationality in the United States.

They're ready to go. They're ready to fight.

AK$& sounds are a little less than $1 a round.

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Between now and May 1, the red eye missles could be the entire key.

Because if they succeed at this point in launching an offensive including tanks and the MI24 helicopters into that region and go for the cans...

There's 2 different kinds of red eye missles. There's one that's very unsophisticated which is just a direct shot missle. And then there's one that's able to take on the Hind because the Hind has major decoy devices, has heavy armanment and it has these fflus on the back of the exhausts from the jets - the expulsion from the engine - that mask the heat.

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So you have to have the $8,000 red eye to make it work.

They have flare system on the MI24s and they drop the flares out.

For one thing, there's a trade off.

If you provide money for ammunition, the money they've set aside for ammunition can go to boots.

On the other hand, if you provide money for boots, what they've set aside for boots can to ammunition.

Whatever you do in regard to that list (of Calero's needs), I think you can be proud of what service you provide for democracy. I think ultimately you can be proud to stand that day in Managua when there's a free country inagurated down there.

I'd encourage you to participate now while you can still make a difference.

That'll make a lot of difference to a lot of huys down there. I'm serious about that.

We haven't heard from you yet.

Please respond to the President's request for aid to the Nicaraguan refugees.

You tax-deductible check of $350 or more will be a miracle gift. The Nicaraguan refugees are homeless, impoverished and wounded fighters for freedom.

Once you gift arrives, your name will be immediately added to the President Honor Roll of Concerned Americans. We are presenting the Honor Roll to the President on the 15th of May.

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Chapter 4
Footnote 53

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INTERNATIONAL BUSINESS COMMUNICATIONS R
MILLER
1523 NEW HAMPSHIRE AVE NORTHWEST
WASHINGTON DC 20009

4-53

THIS IS A CONFIRMATION COPY OF THE FOLLOWING MESSAGE:

6097777777 TDMT MOORESTOWN NJ 9 06-06 1021A EST
PMS JOHN RAMSEY, DLR
3510 CRANBROOK
WICHITA FALLS TX 76308
THANK YOU FOR THE HELP ON SUCH SHORT NOTICE,
COL NORTH

IN THE EVENT OF ANY SERVICE INQUIRIES, PLEASE DIRECT CORRESPONDENCE TO:

NATIONAL CONSUMER SERVICE CENTER
C/O WESTERN UNION TELEGRAPH COMPANY
308 WEST ROUTE 38
MOORESTOWN, NJ 08057

10:22 EST

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1 6097777777 MGM TDMT MOORESTOWN NJ 06-06 1022A EST

INTERNATIONAL BUSINESS COMMUNICATIONS R
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WASHINGTON DC 20009

THIS IS A CONFIRMATION COPY OF THE FOLLOWING MESSAGE:

6097777777 TDMT MOORESTOWN NJ 17 06-06 1022A EST
PMS CARL RUSSELL CHANNEL, DLR
2032 BELMONT RD
APT 608
WASHINGTON DC 20009
DEAR SPITZ

THANK YOU FOR THE HELP ON SUCH SHORT NOTICE, WE ALL APPRECIATE YOUR HEROIC EFFORTS.
COL NORTH

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5241 (M 7/82)

TO REPLY BY MAILGRAM MESSAGE, SEE REVERSE SIDE FOR WESTERN UNION'S TOLL - FREE PHONE NUMBERS

4-62 62

M 01136

UNCLASSIFIED

THE COMPANIES LAW

Company Limited by Shares

MEMORANDUM OF ASSOCIATION

OF

I.C. INC.

REGISTERED AND FILED
NO. THIS DAY
APRIL 1985
Dep.

1. The name of the Company is "I.C. INC."

2. The Registered Office of the Company will be situate at the offices of Cayhaven Corporate Services Limited, Swiss Bank Building, Fort Street, George Town, P.O.Box 1043, Grand Cayman, Cayman Islands, British West Indies.

3. The objects for which the Company is established are:

   (i) To acquire any shares, stocks, debentures, debenture stock, bonds, mortgages, notes, bankers' acceptances, obligations and other securities issued by any company, corporation or undertaking of whatever nature and wheresoever constituted or issued or guaranteed by any government, sovereign ruler, commissioners, trust authority or other body of whatever nature, by original subscription, syndicate participation, tender purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof.

   (ii) To buy, sell and deal in all commodities and commodity futures, including silver and to buy sell and deal in bullion and specie, to receive money and valuables for safe custody or otherwise other than on deposit repayable by cheque or order, to collect and transmit money and securities, to grant and issue letters of credit, circular notes and to manage and advise on the management of securities and investments.

   (iii) To carry on business as capitalists, financiers, concessionaires, brokers and merchants and to undertake and carry on and execute all kinds of financial, commercial and trading operations, except banking and trust operations and to carry on any other business which may seem to be capable of

Released on
~~under provisions of E.~~
Reger, National Sec

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being conveniently carried on in connection with any of these objects or calculated directly or indirectly to enhance the value of, facilitate the realisation of, or render profitable any of the Company's property or rights.

(iv) To provide or procure management, including the management of investments and other property, administrative, sales and technical assistance, service and advice on a contract, loan, secondment, employment or other basis and to provide consultants staff and employees who will give management, administrative, sales, marketing and technical assistance, service and advice to any person or company anywhere in the world on any matter or any type of business whatsoever and to act as managers, registrars, administrators, secretaries, auditors, accountants of bodies corporate or unincorporate in any part of the world, for the Company's account or for third parties.

(v) To buy, sell, deal in, trade, transact, lease, hold, improve, sub-divide, or develop real estate, and the fixtures and personal property incidental thereto or connected therewith and to acquire by purchase, lease, hire or otherwise, lands and all forms of buildings or constructions or any interest therein and to improve the same generally to hold, manage, deal with and improve the property of the Company, and to sell, lease, mortgage, pledge or otherwise dispose of the lands, buildings and constructions or other property of the Company.

(vi) To carry on the business of farming in all its branches, including without prejudice to the foregoing generality arable and fruit farmers, dairy and poultry farmers, live stock breeders of every variety of animal whether bred of pedigree stock or otherwise, and also fishermen.

(vii) To contract for public or private loans and to negotiate, underwrite and issue the same; without prejudice to the foregoing generality with reference to commodity, commodity futures, or foreign exchange contracts to enter into conditional or forward contracts for the acquisition or disposal of any such assets.

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(viii) To carry on business as general agents, factors, importers, processors, canners, packagers, bottlers, manufacturers, retailers, distributors, and wholesalers of goods and merchandise, manufactured articles and parts thereof and raw materials and generally to carry on the business of importers and exporters and as wholesale and retail merchants and dealers in goods and products of all kinds.

(ix) To undertake and carry on all or any of the business or businesses of freight contractors, carriers by land, water and air of cargo, goods and passengers, transport and haulage, general contractors, barge owners and operators, engineers, refrigerator store keepers, stevedores, warehouse owners, and warehousemen, salvage operators and agents, ship builders, ship repairers, drydock builders, and operators, superintendents, inspectors, storekeepers, mechanical and civil engineers, planners, architects, designers, general and sub-contractors, customs, tourist and travel agents, and offices, and generally to carry on the said business or businesses in all their branches, and to carry on the said businesses either as principals, agents or otherwise and to undertake and execute agencies and commissions of all kinds, either for the company's account or for third parties.

(x) To purchase, sell, exchange, charter, hire, build, construct, or otherwise acquire and to own, work, manage and to deal in and trade with steam, diesel, turbine, motor, sailing and other ships, tankers, trawlers, drifters, tugs, lighters, barges, vessels and motor or other vehicles and other means of conveyance with all necessary and convenient equipment, engines, tackle, gear, furniture, stores, spares, or any interest in ships, vessels, motor and other means of conveyance, and to maintain, repair, fit out, improve, insure, alter and remodel, sell, exchange, or let out on hire, charter, lease, lease/purchase, or otherwise deal with and dispose of any of the ships, tankers, vessels and vehicles, or any of the engines, tackle, gear, furniture, equipment and stores of the company, for the Company's account or for third parties.

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(xi) To carry on the business of owners of, buyers and sellers of, manufacturers of, dealers in, hirers, repairers, cleaners, storers, and warehousers of aeroplanes and hovercraft and machines of all kinds capable of being flown in the air and used on land or sea and whether such machines are adapted for the carriage of goods or passengers or both, and whatever power such machines are moved by or of machines not moved by mechanical or other similar power and to own, buy, sell, manufacture, deal in, hire, store and warehouse, all engines, machinery, implements utensils, appliances, apparatus, lubricants, cements, solutions, enamels, paints and all things capable of being used in connection with the foregoing machines whether in connection with the manufacture, repair, maintenance or working thereof.

(xii) To carry on business as manufacturers, assemblers, factory and plant operators, and to manufacture, in whole or in part, modify assemble or any combination thereof raw materials wholly or partly manufactured items, materials, goods, merchandise, machinery and equipment of all kinds.

(xiii) To purchase, acquire, rent, build, construct, equip, execute, carry out, improve, work, develop, administer, maintain, manage or control works and conveniences of all kinds, whether for the purposes of the Company or for sale or hire to or in return for any consideration from any other Company or persons, and to contribute to or assist in the carrying out of establishment, construction, maintenance, improvement, management, working, control, or superintendence thereof respectively.

(xiv) To acquire, own, lease, rent, prospect for, open, explore, survey, develop, work, improve, maintain, and manage, either for the Company's own account or for third parties, mines, oil and natural gas wells, permits, concessions, reservations, lands and properties, territorial rights whether on land or at sea believed to contain or to be capable of containing and producing minerals, oil, natural gas, coal or other hydrocarbons, either for the Company's own account or for third parties; and to drill for, search for, win, get, pump, assay, refine, distill, analyse, manufacture, blend, mix, treat and prepare for market,

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alter in any form or fashion, store, transport, pipe, or otherwise convey or transmit, buy, sell, trade, exchange and otherwise deal and participate in minerals, crude oil, petroleum, or petrochemical products and natural gas and the components, derivatives and by-products thereof, either for the Company's account or for third parties.

(xv) To purchase, acquire, build, construct, equip, execute, carry out, improve, develop, administer, maintain, manage, or control refineries, pipelines, tank storage facilities, marine jetties, and terminals, off-shore drilling rigs, and platforms, warehouses buildings and all ancillary works, equipment, furnishings and conveniences thereto, whether for the purposes of the Company or for sale or hire to or in return for any consideration from any other company or persons, and to contribute to or assist in the carrying out or establishment, construction, maintenance, improvement, management, working, control or superintendence, thereof respectively.

(xvi) To apply for, purchase, or otherwise acquire and protect, and renew in any part of the world, patents, patent rights, brevet d'invention, trademarks, copyrights, designs, licenses, grants, concessions and the like, conferring any exclusive or non-exclusive or limited right to their use of any secret or other information as to any patent, design, concession or licence or invention, which seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop, or grant licenses in respect of, or otherwise turn to account the property rights or information so acquired and to expend money in experimenting or exploring upon, testing or improving any such patents, designs, concessions, licenses, or rights.

(xvii) To receive money on loan and borrow or raise money in such manner as the Company shall think fit and in particular by the issue of bonds, debentures, debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of

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the property or assets of the Company (both present and future) including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be.

(xviii) To draw, make, accept, endorse, discount, negotiate, issue and execute and to buy, sell and deal with bills of exchange, promissory notes or other negotiable or transferable instruments.

(xix) To amalgamate or enter into partnership, joint venture or any joint purse or profit-sharing arrangement with and to co-operate in any way with or assist or subsidise any company, firm or person, and to purchase or otherwise acquire and undertake all or any part of the business, property and liabilities of any person, body or company carrying on any business which this Company is authorised to carry on or possessed of any property suitable for the purposes of the Company.

(xx) To promote or concur in the promotion of any company, the promotion of which shall be considered desirable.

(xxi) To lend money to and guarantee the performance of the contracts or obligations of any company, firm or person, and the payment and repayment of the capital and principal of, and dividends, interest or premium payable on any stock, shares and securities of any company whether having objects similar to those of this Company or not, and to give all kinds of indemnities.

(xxii) To procure the registration or incorporation of the Company in or under the Laws of any place outside the Cayman Islands.

(xxiii) To sell, lease, mortgage, grant licences, easements and other rights over and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit, and without limiting the generality of the foregoing for stocks, shares, or securities of any other company, whether fully or partly paid up.

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(xxiv) To subscribe or guarantee money for any national, international, charitable, benevolent, public, desirable, general or useful objects or for any exhibition for any purpose which may be considered likely directly or indirectly to further the objects of the Company or the interests of its members.

(xxv) To grant pensions or gratuities to any employees or ex-employees and to officers or ex-officers (including Directors and ex-Directors) of the Company or its predecessors in business, or the relations, connections, or dependents of any such persons and to establish or support associations, institutions, clubs and funds and trusts, which may be considered calculated to benefit any such persons or otherwise advance the interests of the Company or of its members, and to establish and contribute to any scheme for the purchase of shares in the Company on behalf of or for the Company's employees, and to lend money to the Company's employees to enable them to purchase shares of the Company and to formulate and carry into effect any scheme for sharing the profits of the Company, with its employees or any of them.

(xxvi) To create, establish, build up and maintain a marketing, selling and distributing organisation for the promotion, sale, advertisement, distribution or introduction of all types of goods, merchandise, machinery, manufactured articles and equipment and all material parts and ancillary equipment relating thereto and to handle on commission or otherwise deal in, contract for or otherwise acquire, advertise, promote, introduce, distribute, buy, sell or otherwise dispose of for itself or for any other or others any of the aforesaid.

(xxvii) To distribute among the members in specie any property of the Company, or any proceeds of sale, or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction, if any, for the time being required by law.

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(xxviii) To do all or any of the things and matters aforesaid in any part of the world, and either as principals, agents, contractors, or otherwise, and by or through agents, or otherwise and either alone or in conjunction with others.

(xxix) To do all such things as may be considered to be incidental or conducive to the above objects or any of them.

AND IT IS HEREBY DECLARED that the objects of the Company as specified in each of the foregoing paragraphs of this clause (except only in so far as otherwise expressed in any such paragraph) shall be separate, distinct and independent objects of the Company and shall not be in anywise limited by reference to or inference from any other paragraph or the order in which the same shall occur or the name of the Company.

AND IT IS FURTHER HEREBY DECLARED that the Company will not trade in the Cayman Islands with any person, firm, or corporation except in furtherance of the business of the Company carried on outside the Islands: Provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Islands, and exercising in the Islands all of its powers necessary for the carrying on of its business outside the Islands.

4. The liability of the members is limited.

5. The capital of the Company is US$900,000.00 divided into 900,000 shares of a nominal or par value of US$1.00 each provided always that subject to the provisions of the Companies Law, Cap. 22, as amended and its Articles of Association, the Company shall have power to redeem any or all of such shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.

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We, the several persons whose names, addresses and descriptions are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER
CAYHAVEN CORPORATE SERVICES LIMITED P.O.Box 1043, George Town, Grand Cayman Per: (Sgd.) David G. Bird David G. Bird - Director	One Share
DAVID G. BIRD P.O.Box 265, George Town, Grand Cayman (Sgd.) David G. Bird Attorney-at-Law .	One Share
ALASTAIR J.N. LOUDON P.O.Box 265, George Town, Grand Cayman (Sgd.) Alastair J.N. Loudon Attorney-at-Law	One Share

Dated April 25, 1985

(Sgd.) C. KIPLING
Witness to the above signatures:Christiane Kipling

Address: P.O.Box 265, Grand Cayman

Occupation: Secretary

I, DE
Dep
Registrar of Companies in and for the Cayman Islands DO HEREBY CERTIFY that this is a true copy of the Memorandum of Association of "I.C. INC.".

Dated this 26th day of APRIL 1985

UNCLASSIFIED

Chapter 4 Footnote 67

R M 015141

~~C H 005217~~

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TAPIA & BUFFINGTON
ATTORNEYS AT LAW

EMPIRE BUILDING
SUITE 804
2033 M STREET N.W.
WASHINGTON, D.C. 20036

TELEPHONE
(202) 296-8114

February 10, 1984

4-67

Mr. Frank D. Gomez
Senior Associate
International Business Communications
1607 New Hampshire Avenue, N.W.
Suite 300
Washington, D.C. 20009

Dear Frank:

Enclosed is a copy of the Certificate of Incorporation of the Institute On North-South Issues, Inc. issued by the District of Columbia.

Also enclosed is my statement for services rendered with regard to the incorporation.

Of course, if you have questions, please call me.

Sincerely,

RAUL R. TAPIA

Enclosures

1/18/88

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R M 015142

~~C H 005218~~

TAPIA & BUFFINGTON
ATTORNEYS AT LAW

EMPIRE BUILDING
SUITE 504
2033 M STREET N.W.
WASHINGTON, D.C. 20036

TELEPHONE
(202) 296-8114

February 10, 1984

STATEMENT

Mr. Frank D. Gomez
Senior Associate
International Business Communications
1607 New Hampshire Avenue, N.W.
Suite 300
Washington, D.C. 20009

Legal services provided for incorporation of Institute On North-South Issues, Inc....................	$	600.00
Disbursements:		
Filing fee, District of Columbia..................		12.00
	$	612.00

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52026

Chapter 1 73

4-73

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October 3, 1985 C H 035141

PRIVACY

[redacted]

Dear [redacted]

Thank you very much for your interest in and support of democracy in Nicaragua through your participation in the "Friends of Freedom" project sponsored by the NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY.

I appreciated very much your time by phone late yesterday afternoon. You are one of a small group of dedicated Americans who has stood by President Reagan time and time again in support of his agenda. As you well know, this issue of the survival of freedom in our hemisphere is one of if not the closest to his heart.

It will be a pleasure to meet you in Washington on October 17 when you attend our special security briefing followed by a working dinner. It promises to be quite an exciting as well as educational evening.

Please be reminded that your accommodations at the Hay-Adams Hotel are taken care of and there is no expense to you. You will need to settled in your room no later than 5:30 p.m. that day.

I will be in touch within several days to secure additional information needed for your security clearance. Should you wish to contact me my number is: (202) 543-6137.

Also, it is my suggestion that you review the enclosed documents before attending the meeting. These documents will serve as briefing materials. Please be familiar with them.

PRIVACY

Thank you again, [redacted] I will be more than happy to pick you up at the airport should you need me to do so.

Sincerely,

UNCLASSIFIED

CLIFF SMITH

1/18/88

FCS/ajd

A 0033428

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**NATIONAL ENDOWMENT
FOR THE
PRESERVATION OF LIBERTY**

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 7, 1986 C H 035[illegible]

PRIVACY

[redacted]

Dear

It was a great pleasure to speak with you again yesterday. ~~We are all very excited about~~ your unique effort to ensure victory for George Bush by hosting the first Future of Freedom Forum.

I look forward to meeting with you Thursday, February 13 at 10:00 a.m. at your home. We have much to discuss to kick off this effort for George.

With continued best wishes,

Cliff

Cliff Smith
Project Director
National Endowment for the
Preservation of Liberty

See you Thursday.

1/13/88

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Chapter 4, Footnotes 83, 99.

4-83

[illegible]

1. Oct 1st Budget – 80,000 in Oct
2. ~~Green is to call Bunker –~~
3. ~~Bunker w/ RR, call [illegible], thank~~
4. Reagon thank you
5. Mr. H.R. Bright 214/526-1195
6. Doug Hofmeister – Ellie's
7. $415,000.00 – Weapons C4, M79
8. $520,000.00 MAUL
9. M, W, F, Tuesday or Thursday preferred

9/20/85

1. Craig Fuller – Shoup Voting
2. P.R. – Report in Nat Assembly – get Shoup team – Rep – went to P.R. – Bie – some machines for Nov Referendum money for 500 – wants money for 1,000
3. ☆ V.P. speech – Slow case on Democracy – N/B.
   ★ 936 should stay – N/B.
4. Richard Coykia

Pemonaceti – Indonesia

1. Oct 10 – Philadelphia, Secretary arriving Philly Sept 29th.
2. Mother, Brother, aide + Wife

1/18/88

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Chapter 4, Footnote 85

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R M 000859

4-85

2/5/86 Green

1. Eddie's new purchase list
2. Andy Messing
3. Western Goals – Radio
   - Loaning to Donald [illegible]
   - $40 million
   - 9 people
4. Dinner for newington
5. Ollie at the Newington RR meeting
6. Cruz – Lowering Arguello
7. Bosco – Walter
8. AAA in 18th

[illegible] 4/8/88

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Chapter 4, Footnotes 83, 99.

M 000971

[illegible]

1. Oct 1st Budget – 80,000 in Oct

4-99

✓ 2. Green is to call Bunker –

~~3. Bunker w/ RR, call etc, visit~~

4. Reagan thank you

5. Mr. H. Roy BRIGHT 214/526-1195

6. Doug Hofmeister – Ellen's

7. $415,000.00 – Weapons C4,029

8. $520,000.00 MAUL

9. M,W,F, Tuesday or Thursday preferred

9/20/85

1. Craig Fuller – Shoup Voting

2. P.R. – Report in Nat Assembly – get [illegible]
 – Reg – went to P.R. – Bie – same machine for the Referendum
 money for 500 – wants money for 1,000

☆ 3. V.P. speech – Show-case on Democracy – N/B.

★ 936 should stay – N/B.

4. Richard Coykia

[illegible] – Indonesia

1. Oct 10 – Philadelphia, Secretary arriving Philly Sept 24 [illegible]

2. Mentre, Brother, aide + Wife

1/18/88

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Chapter 4, Footnote 10.

R M 001042

11/7
$1,200,000 – Commitment – 3 PAYMENTS

4-102

Nov 21st –
Dec 5nd

1 now $400,000
1 Jan $400,000
1 Feb $400,000

Green – Now working a Year on this program
– Most secure person we know in the U.S.
– we are asking you to take on a project that requires your kind of person

1/18/88

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4-125

Chapter 4
Footnote 25

-- Reply to note of 05/16/86 16:19 [redacted] UNCLASSIFIED

NOTE FROM: OLIVER NORTH
Subject: IRAN AND TERRORISM
I passed the info, w/o mentioning Nir to both Clarridge and Casey. Clarridge believes that there may indeed be something to the offer to [redacted]

Will work w/ Dewey on a meeting plan which we may wish to carry out after we complete the hostage arrangements.

N 12528

You should be aware that the resistance support organization now has more than $6M available for immediated disbursement. This reduces the need to go to third countries for help. It does not, however, reduce the urgent need to get CIA back into the management of this program. We can only do this by going forward with the reprogramming proposal and getting the requisite authorities for CIA involvement. Unless we do this, we will run increasing risks of trying to manage this program from here with the attendant physical and political liabilities. I am not complaining, and you know that I love the work, but we have to lift some of this onto the CIA so that I can get more than 2-3 hrs of sleep at night. The more money there is (and we will have a considerable amount in a few more days) the more visible the program becomes (airplanes, pilots, weapons, deliveries, etc.) and the more inquisitive will become people like Kerry, Barnes, Harkins, et al. While I care not a whit what they say about me, it could well become a political embarassment for the President and you. Much of this risk can be avoided simply by covering it with an authorized CIA program undertaken with the $15M. This is what I was about to say in the meeting today and a point that I believe Shultz does not understand in his advocacy of third country solicitation. I have no idea what Don Regan does or does not know re my private U.S. operation but the President obviously

(452)

[illegible] 5/6/87
[illegible] 12356
[illegible] National Security Council

JMP 8/69 (17)

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[redacted] UNCLASSIF

FILE: MAY86 [redacted] 10 WHITE HOUSE COMMUNICATIONS AGENCY

N 12529

knows why he has been meeting with several select people to thank them for
their "support for Democracy" in CentAm. In short, we need to proceed with the
$15M. Shall I work this up?Ure regards, North

I IRAN AND TERRORISM

MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA
TO: NSJMP --CPUA JOHN M. POINDEXTER 05/16/86 16:02:01

453

JMP 8/70

17A

[illegible] 5/4/87
[illegible] 12356

[redacted]

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4-127

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Chapter 4 Footnote 127

Minutes of May 16, 1986
NSPG Meeting
Denied in
Total

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Chapter 4, Footnote 128

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THE WHITE HOUSE
WASHINGTON

N 22715

MEETING WITH
NATIONAL ENDOWMENT FOR PRESERVATION OF LIBERTY

4-128

January 30, 1986
Roosevelt Room
3:00 p.m.

FROM: Linda Chavez LC

I. PURPOSE

The National Endowment for the Preservation of Liberty (NEPL), a special program of The American Conservative Trust (ACT), has sponsored several programs in support of your defense and foreign policies. This briefing is for the principal financial contributors whose patriotism and generosity have made these public education programs so successful and influential.

II. BACKGROUND

In 1985, ACT and NEPL spent in excess of $3 million supporting the President's programs through public awareness using television and newspaper messages. Their Central American Program was initiated last June. They produced and aired a television spot supporting your position on arms control. A post-Geneva tribute to your success at the summit was also aired on all network affiliates.

ACT/NEPL will raise $3 million for educating public opinion on the issue of aid to the democratic resistance over the next six weeks. The purpose of this briefing is to: (1) provide current status report on the situation in Nicaragua; (2) recognize and express gratitude for their efforts in supporting the President; (3) encourage continuance of their generosity in funding these worthwhile projects.

Your participation will be preceded by briefings by Asst. Secretary Elliott Abrams (State), Oliver North (NSC) and Linda Chavez.

III. PARTICIPANTS

34 supporters and four staff members of ACT and NEPL.

IV. PRESS PLAN: White House photographer only

V. SEQUENCE OF EVENTS

You enter Roosevelt Room, make brief remarks (per talking points), greet the guests and depart.

Attachment: Talking Points
Coordination: NSC (O. North)

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Chapte 4-147 =147

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The Heritage Foundation
A tax-exempt public policy research institute

R M 017211

October 15, 1985

Mr. Richard R. Miller
Treasurer
Institute for North-South Issues
1523 New Hampshire Avenue, N.W., Suite 200
Washington, D.C. 20036

Dear Mr. Miller:

Thank you for your letter of September 12, 1985.

My colleagues and I have discussed your proposal in some detail, and are pleased to respond in a positive way to it. Therefore, I am enclosing a check from The Heritage Foundation in the amount of $100,000 as you requested in your letter.

We would appreciate receiving reports from you as to the uses to which these funds have been put, and would also like to have a copy of your tax-exempt letter for our files.

It is our assumption, of course, that all of these funds will be used in accordance with the stated purposes of your 501(c)(3) organization.

Best wishes to you in your endeavors.

Sincerely,

Edwin J. Feulner, Jr., Ph.D.
President

1/15/88

EJF/kr
Enclosure

4284

Herbert B. Berkowitz, *Vice President*
Gordon S. Jones, *Vice President*
Burton Yale Pines, *Vice President*

Edwin J. Feulner, Jr., *President*
Phil N. Truluck, *Executive Vice President*

Peter E. S. Pover, *Vice President*
John A. Von Kannon, *Vice President*
Bernard Lomas, *Counselor*

Board of Trustees
Hon. Shelby Cullom Davis, *Chairman*
Robert H. Krieble, Ph.D., *Vice Chairman*
J. Frederic Rench, *Secretary*
Edwin J. Feulner, Jr.
Joseph R. Keys
Lewis E. Lehrman

David R. Brown, M.D.
Joseph Coors
Midge Decter
Robert F. Dee
Hon. Jack Eckerd

Hon. Clare Boothe Luce
Richard M. Scaife
Hon. William E. Simon
Arthur Spitzer
Jay Van Andel

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Miller 4-162

Chapter 4
Footnotes 162, 63

UNCLASSIFIED

R M 000001

1985/86 Summary of
National Endowment for the
Preservation of Liberty
Program Expenditures

INTERNATIONAL BUSINESS COMMUNICATIONS
1912 Sunderland Place N.W. • Washington D.C. 20036

4285

UNCLASSIFIED 4/18/88

INTERNATIONAL BUSINESS COMMUNICATIONS
1912 SUNDERLAND PLACE N.W.
WASHINGTON D.C. 20036-1608
TELEPHONE (202) 659-9550
TELEX [illegible] IBCUSA

MEMORANDUM

TO: Carl Russell Channell
President
National Endowment for the
Preservation of Liberty

FROM: Richard R. Miller
Senior Partner

DATE: February 16, 1987

SUBJECT: 1985/86 summary of NEPL program expenditures

This memorandum and the materials attached to it constitute the report you requested on the application of the funds provided to IBC by NEPL in 1985 and 1986 in connection with the Central American Freedom Plan (CAFP), other NEPL programs and for the purpose of providing humanitarian aid in Central America. We have prepared or collected the following materials based on a thorough review of our records:

1. An executive summary of 1985 and 1986 expenditures which includes both the program costs of CAFP, other NEPL programs and the amount of humanitarian aid given by NEPL through IBC.

2. A comprehensive, chronological list of all NEPL deposits to our accounts and IBC expenditures in the execution of your programs for each year.

3. Documentation provided by the managing directors of Intel-Cooperation Inc. (originally I.C. Inc.), including a copy of the Memorandum of Association (corporate charter) filed with the government of the Cayman Islands and a schedule of the receipts and disbursements of that company for 1985 and 1986.

4. Copies of the retainer letter between NEPL and IBC and our program spending document that includes planning for the January 1986 Winter Meeting.

5. Copies of the wire transfers and bank orders used by IBC to distribute the humanitarian aid funds listed in section 2 and summarized in section 1.

.ou are familiar with our efforts in connection with the CAFP. In addition, the funds NEPL provided for humanitarian assistance have been applied to particularly worthy purposes. For example, your generosity has saved the arm of a little girl who was shot by the Sandinistas and paid for the reconstructive surgery in the United States that repaired the faces and limbs of young freedom fighters. You have also supported some of the best scholarly work by Nicaraguans and helped to support education efforts by exiles who wanted to bring their story to America.

Adolfo Calero has personally thanked you and me and has written to you thanking you for the help we provided to the Nicaraguan Development Council. Another major recipient is the Unified Nicaraguan Opposition (UNO), the political umbrella organization of the Nicaraguan Democratic Resistance. As your representative we have heard from other officials of the movement, and they have gratefully acknowledged the direct assistance we sent on to them.

IBC also distributed funds through Intel Co-operation Inc. to several organizations exempt from American taxation under section 501(c)(3) of the Internal Revenue Code. They are:

Gulf and Caribbean Foundation

Friends for the Americas

Nicaraguan Development Council

Latin American Strategic Studies Institute

Institute on Terrorism and Subnational Conflict

All of these recipients have pledged that their donations were used solely for humanitarian purposes and, given the nature of their organizations, we are confident that such is the case, since it is consistent with their programs in the region.

Some of the funds, as shown in the attached materials, were deposited to the account of Lake Resources, Inc., at Credit Swiss Bank in Geneva at the request of Lt. Col. Oliver L. North. At the present time we are unable to obtain from him any information concerning the application of those funds after deposit to the Lake Resources account. However, we were assured by him at the time that the funds were to be applied solely for humanitarian assistance.

If you have any questions about this report, we would be happy to discuss them with you.

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SECTION 1

UNCLASSIFIED

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EXECUTIVE SUMMARY OF
IBC RECEIPTS AND EXPENDITURES FOR
NEPL FUNDS IN 1985 AND 1986

1985	Total Deposits		$1,497,222.00
	PROGRAM COSTS		
	Professional Fees	$351,397.15	
	(1986 Payments on CAFP made in Dec)	+140,000.00	
	1985 Pro. Fee payments		491,397.15
	Program Expenses		104,119.85
	HUMANITARIAN AID		901,705.00
1986	Deposits		3,433,098.79
	PROGRAM COSTS		
	Professional fees	786,204.00	
	(Prepaid in 1985)	<140,000.00>	
	1986 Pro. Fees payment		652,311.36
	Program Expenses		388,743.33
	HUMANITARIAN AID		2,392,044.10

1985/1986 Humanitarian aid breakdown

85 Direct assistance payments	81,705.00	
85 Payments via Intel Cooperation	390,000.00	
85 Payments via Lake Resources	430,000.00	
TOTAL 1985		901,705.00
86 Direct assistance payments	42,044.10	
86 Payments via Intel Cooperation	2,350,000.00	
TOTAL 1986		2,392,044.10
GRAND TOTAL		$3,293,749.10

UNCLASSIFIED

SECTION 2

UNCLASSIFIED

ACCOUNT REVIEW 1985

National Endowment for the Preservation of Liberty
American Conservative Trust

The following account review uses two designations for transactions; Debit, for any expenditure undertaken for NEPL or ACT; Deposit, for all checks and wire transfers written to IBC.

DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
5/13	Deposit	NEPL		5,000.00
5/22	Debit	Stamps	44.00	
5/23	Debit	Office Supplies	571.89	
5/24	Debit	Color Photos	263.94	
5/29	Debit	FARA Books	11.00	
6/5	Debit	Office Supplies	226.52	
6/5	Debit	Couriers	745.95	
6/3	Deposit	NEPL		5,000.00
6/6	Debit	Copying Press Release	95.40	
6/6	Debit	Hill Deliveries	235.40	
6/7	Debit	Photocopying	458.60	
6/7	Debit	Copying Press Release	26.50	
6/11	Deposit	NEPL		5,000.00
6/19	Debit	Travel Expenses	2,200.00	
6/20	Debit	Cash for Travelers Checks	3,500.00	
6/20	Debit	Postage	40.00	
6/25	Debit	Hill Delivery	26.75	
6/25	Deposit	NEPL		5,000.00
7/3	Deposit	NEPL		5,000.00
7/15	Deposit	NEPL/CAFP		130,000.00
7/15	Debit	Friends of [redacted] Commercial	30,000.00	
7/15	Debit	Messengers	549.80	
7/15	Debit	Photocopying	227.40	
7/15	Debit	Travel	820.28	
7/17	Deposit	NEPL		5,000.00
7/17	Deposit	NEPL-CAFP		25,000.00
7/18	Debit	Subcontractor -Schwatrz	2,000.00	
7/19	Deposit	NEPL-CAFP		80,000.00
7/22	Debit	Avcom	81.94	
7/22	Debit	Directories	308.00	
7/22	Debit	Radio/TV Monitoring	45.98	
7/22	Debit	VCR	350.00	
7/22	Debit	Photos	210.94	
7/22	Debit	News conference Translations	500.00	
7/22	Debit	Maps	100.00	

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DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
7/22	Debit	Daily Newspapers Mailing	135.00	
7/22	Debit	Radio/TV Monitoring	116.38	
7/22	Debit	Reprints-U.S. Strategic Review	197.34	
7/22	Debit	Photocopying	368.30	
7/22	Debit	Federal Express	930.55	
7/22	Debit	Office Supplies	531.36	
7/23	Debit	NPR Tape	20.00	
7/23	Debit	Telephones	1,100.00	
7/23	Debit	Pyramid Videos	497.52	
7/24	Debit	IDU Conference Ticket	1,000.00	
7/25	Debit	Miami Car	82.58	
7/26	Debit	May to June Travel	6,235.66	
8/12	Debit	Travel-Wesley Smith	1,500.00	
8/12	Debit	Postage	100.00	
8/15	Debit	National Journal	5.00	
8/15	Debit	FPA Books	8.50	
8/15	Debit	Cinema East	3,295.00	
8/23	Deposit	NEPL-CAFP		80,000.00
8/23	Debit	Wesley Smith-travel	3,121.00	
9/3	Deposit	NEPL		10,000.00
9/3	Debit	Newspapers	159.00	
9/4	Debit	Newsweek	26.87	
9/4	Debit	Telephones	226.78	
9/5	Deposit	NEPL-CAFP		21,000.00
9/5	Debit	Freinds of Freedom [redacted]	30,000.00	
9/11	Debit	Camera Crew	7,550.00	
9/11	Debit	Wesley Smith	500.00	
9/12	Debit	Couriers	689.00	
9/12	Debit	Writers Subcontract	10,005.00	
9/12	Deposit	NEPL-CAFP		26,300.00
9/12	Debit	Film Producer	3,000.00	
9/13	Debit	Film Crew Expenses	1,000.00	
9/13	Debit	Film Crew Fees	850.00	
9/16	Debit	Adcom	8.99	
9/16	Debit	Dubbing	30.00	
9/17	Debit	Telephone	100.00	
9/16	Debit	U.S. News Reprints	60.00	
9/17	Debit	Video Rental	232.00	
9/17	Debit	Film Crew Travel	410.00	
9/17	Debit	Casual Labor	70.00	
9/18	Deposit	NEPL-CAFP		10,000.00
9/18	Debit	Translations	398.00	
9/20	Deposit	NEPL		132,000.00
9/20	Debit	Friends of Freedom	130,000.00	
9/20	Deposit	NEPL		100,000.00
9/24	Debit	Postage	70.07	
9/24	Debit	Travel	1,256.00	
9/26	Debit	Friends of Freedom -I.C. Inc.	100,000.00	
9/26	Debit	Film Crew Fees	231.00	
9/26	Deposit	NEPL		5,000.00

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DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
9/26	Debit	Journal of Amer. Pol.	392.20	
9/30	Debit	U.S. News Reprints	60.00	
10/3	Debit	Sprint on tapes	47.50	
10/3	Debit	Travel	1,452.00	
10/4	Debit	Travel-Refugee	218.00	
10/7	Deposit	NEPL-CAFP		10,000.00
10/7	Debit	Postage	26.40	
10/8	Debit	TV Tape Dubbing	248.00	
10/8	Debit	TV Tape Dubbing	68.00	
10/8	Debit	Heritage Publications	8.95	
10/11	Deposit	NEPL-CAFP		10,000.00
10/11	Debit	Postage	98.34	
10/15	Debit	Presentation Boxes	84.59	
10/15	Debit	S. Christian Books	211.47	
10/16	Debit	Telephones	3,081.28	
10/16	Debit	Video Equipment	196.50	
10/16	Deposit	NEPL		10,000.00
10/16	Debit	Presentation Boxes	83.79	
10/17	Debit	Trevor Books	380.65	
10/18	Debit	Film Crew	10,000.00	
10/18	Deposit	NEPL		270,000.00
10/21	Debit	Postage	200.00	
10/22	Debit	Travel	3,616.00	
10/23	Debit	Film Crew Expenses	4.90	
10/23	Deposit	NEPL-CAFP		10,522.00
10/25	Debit	Film Crew Fees	1,101.36	
10/25	Debit	Gomez Expenses	4,181.00	
10/25	Debit	Friends of Freedom -I.C. Inc.	250,000.00	
10/28	Debit	Couriers	987.00	
10/28	Debit	Press Club Room	154.90	
10/28	Debit	Videotaping	49.82	
10/30	Deposit	NEPL		63,000.00
10/30	Deposit	ACT		9,500.00
10/30	Debit	Forbes	4.00	
11/6	Debit	Video Editing	330.00	
11/4	Debit	Flores Expenses	37.78	
11/4	Debit	Flores Labor	204.25	
11/7	Debit	Video Transmission	400.00	
11/8	Debit	Friends of Freedom -I.C. Inc.	40,000.00	
11/8	Debit	Mailgrams	1405.00	
11/8	Debit	Photographs	165.63	
11/8	Debit	Postage	82.80	
11/14	Debit	Hotel for Producer	102.66	
11/15	Debit	Travel for Flores	1010.00	
11/15	Debit	Postage	112.00	
11/17	Debit	Travel-CAFP	2,973.00	
11/19	Deposit	NEPL-CAFP		10,000.00
11/19	Debit	Expenses-CAFP Producer	1,357.32	
11/19	Debit	CAFP Travel	2,088.50	
11/19	Debit	CDS-Photocopying	20.36	
11/20	Debit	Miami Trip Clemons	550.00	

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DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
11/20	Debit	CDS-ACT Copying	108.44	
11/20	Debit	Postage	100.00	
11/27	Debit	Photocopying	27.35	
11/27	Debit	Keffer Expenses	35.86	
12/3	Debit	Speech UNO travel to D.C.	6,000.00	
12/4	Debit	Expenses, Freedom House	7.50	
12/6	Deposit	NEPL		400,000.00
12/6	Deposit	NEPL		7,500.00
12/10	Debit	Photocopying	7.28	
12/11	Deposit	NEPL		7,400.00
12/11	Debit	Telephone	3,700.00	
12/11	Debit	Newspaper	1.30	
12/11	Debit	Travel-CAFP	4,161.00	
12/12	Debit	Producer Fees-CAFP	10,000.00	
12/12	Debit	Radio Tape	50.00	
12/13	Debit	Flores Travel	60.00	
12/16	Debit	Tape of TV	16.96	
12/16	Debit	Friends of Freedom	300,000.00	
12/16	Deposit	NEPL		20,000.00
12/18	Debit	Postage	124.00	
12/20	Debit	USSR-FARA Reg.	13.50	
12/20	Debit	Travel	334.08	
12/20	Deposit	NEPL		20,000.00
12/24	Debit	Gomez Expenses	51.00	
12/29	Debit	Books	40.54	
12/30	Debit	Couriers	777.45	
12/30	Debit	Travel	2,655.45	
	Total Debits		1,005,824.85	
	Total Deposits			1,497,222.00

UNCLASSIFIED

ACCOUNT REVIEW 1986

National Endowment for the Preservation of Liberty
American Conservative Trust

The following account review uses two designations for transactions; Debit, for any expenditure undertaken for NEPL, ACT or Sentinel; Deposit, for all checks and wire transfers written to IBC.

DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
1/2	Debit	Photocopying	200.00	
1/2	Deposit	NEPL		20,000.00
1/2	Deposit	NEPL		10,000.00
1/2	Debit	VCR-TV	753.00	
1/3	Debit	ZGS-Dubbing	114.00	
1/3	Debit	ZGS-Dubbing	138.00	
1/3	Debit	Air Courier	66.00	
1/3	Debit	FEDEX	861.00	
1/3	Debit	Newsletter	91.20	
1/3	Debit	Saxitone-Tape Recorder	427.09	
1/3	Debit	FEDEX	24.00	
1/7	Debit	Travel-CAFP	5,128.77	
1/7	Debit	PBS Terrorism Film	356.50	
1/7	Debit	U.S. News and W.R.	58.24	
1/7	Debit	Couriers	143.15	
1/7	Debit	Supplies	1,362.42	
1/7	Debit	Film Crew	10,000.00	
1/8	Deposit	NEPL		400,000.00
1/9	Debit	Cable-TV Guide	79.50	
1/9	Debit	Travel-CAFP Film Crew	1,010.00	
1/10	Debit	Travel-CAFP Film Crew	1,515.00	
1/10	Debit	Tape Dubs	45.58	
1/10	Debit	Courier	51.45	
1/13	Debit	FEDEX	27.50	
1/13	Debit	Postage	22.00	
1/13	Debit	Friends of Freedom -I.C. Inc.	360,000.00	
1/14	Debit	TV Guidebook	246.50	
1/17	Debit	Copying	54.55	
1/17	Debit	Copying	414.34	
1/17	Debit	Copying	22.05	
1/17	Debit	FEDEX	1,006.00	
1/17	Debit	FEDEX	16.50	
1/17	Debit	FEDEX	25.50	
1/17	Debit	FEDEX	16.50	
1/17	Debit	Copying	89.04	

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DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
1/17	Debit	Videotape	$100.00	
1/20	Debit	Letter Copying	118.04	
1/20	Deposit	NEPL		$5,000.00
1/20	Deposit	NEPL		20,000.00
1/24	Debit	Traveler's Checks-CAFP	404.00	
1/28	Debit	Cameron Analysis	10,000.00	
1/28	Debit	Copying	85.33	
1/28	Debit	Traveler's Checks for Wesley Smith	3,605.70	
1/29	Debit	DHL Couriers	993.00	
1/29	Debit	Postage	132.00	
1/30	Debit	Radio Shack	62.68	
1/30	Debit	Western Union	402.60	
1/30	Debit	Telephone	2,007.90	
1/31	Deposit	NEPL		50,000.00
2/3	Debit	Dubbing	45.58	
2/7	Debit	Travel CAFP	2,885.68	
2/5	Debit	Traveler's Checks-CAFP	505.00	
2/5	Deposit	NEPL		20,000.00
2/5	Deposit	NEPL		756.84
2/5	Debit	Tape Dubbing	34.05	
2/6	Debit	Tape Stock	235.00	
2/7	Debit	VHS Dubbing	20.00	
2/7	Debit	Copying	31.87	
2/7	Debit	CAFP-Schwartz Subcontractor	900.00	
2/10	Debit	Traveler's Checks-CAFP	202.00	
2/10	Deposit	NEPL		100,000.00
2/10	Debit	Smith Report Grant	3,307.00	
2/10	Debit	Book	17.97	
2/12	Debit	Traveler's Checks-CAFP	1,212.00	
2/13	Debit	Tape Recorder	107.05	
2/13	Debit	Films	2,338.00	
2/13	Debit	News Tapes	105.00	
2/13	Debit	Translators	236.25	
2/13	Debit	Tapes-Goodman	408.16	
2/13	Debit	Tape-Dubs	298.00	
2/13	Debit	Tape-Dubs	112.00	
2/13	Debit	Taping-News	200.00	
2/13	Debit	Photography	756.84	
2/13	Debit	Javelin Press	112.50	
2/13	Debit	Public Brod. Dubs	26.52	
2/13	Debit	Flores-Auto CAFP	47.90	
2/13	Debit	Presentation Materials	1,778.11	
2/14	Debit	VCR-Rental	91.40	
2/13	Debit	TELEX	65.43	

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DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
2/13	Debit	Photo Publishers	79.50	
2/13	Debit	Supplies for Presentations	138.71	
2/13	Debit	Terrorism Film Dub	495.00	
2/13	Debit	Telephone	380.60	
2/13	Debit	Wire to Speaker-CAFP	900.00	
2/13	Debit	Tape Dubbing	190.00	
2/14	Debit	Computer for Smith Report	1,000.00	
2/14	Debit	CAFP Subcontract-Schwartz	750.00	
2/14	Debit	Travel Expenses-Schwartz	60.50	
2/14	Debit	Traveler's Checks-CAFP	1,010.00	
2/14	Debit	CAFP Travel-Flores	2,031.59	
2/17	Debit	Sandwiches-CAFP meeting	60.80	
2/18	Debit	Tape Dubs-Smith	249.00	
2/18	Debit	FEDEX	84.00	
2/18	Debit	Supplies for Speaker Program	1,139.67	
2/18	Debit	TELEX	95.18	
2/18	Debit	Couriers	362.40	
2/18	Debit	Copying	1,265.29	
2/18	Debit	Travel-CAFP	2,701.11	
2/18	Debit	TV/Market Guide	60.00	
2/18	Debit	Reimb. CAFP Expenses	126.88	
2/18	Debit	Postage	176.00	
2/18	Debit	PR Aids-Press Release	1,100.00	
2/19	Debit	Radio/TV Monitoring	127.20	
2/19	Debit	Traveler's Checks-CAFP	1,010.00	
2/19	Debit	Travel Expenses	72.00	
2/19	Debit	Tape Recorders	347.15	
3/4	Debit	Wesley Smith Expenses	1,254.34	
3/4	Deposit	NEPL		28,750.00
3/3	Deposit	NEPL		7,000.00
3/6	Debit	NDC-Donation	25,000.00	
3/7	Debit	LASSI-Briefing Book	25,000.00	
3/7	Deposit	NEPL		65,000.00
3/7	Deposit	CAFP-Traveler's Checks		1,100.00
3/8	Debit	CAFP Exps-Schwartz	505.00	
3/10	Debit	Traveler checks-CAFP	505.00	
3/11	Debit	Traveler checks-CAFP	141.35	
3/11	Debit	Travel Reimb.-CAFP	6,740.69	
3/11	Debit	Photo's-Wesley Smith	23.10	
3/12	Debit	Traveler checks-CAFP	808.00	
3/12	Debit	Translations-Smith Report	1,028.00	

UNCLASSIFIED

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DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
3/12	Debit	Smith Report Printing	1,580.78	
3/14	Debit	Postage	110.00	
3/14	Debit	Traveler checks-CAFP	808.00	
3/14	Debit	Traveler checks-CAFP	505.00	
3/10	Debit	Furniture for Office	2,544.10	
3/14	Debit	CAFP Subcontractor-Schwartz	2,100.00	
3/17	Debit	KMOL-TV Tape	52.81	
3/17	Deposit	NEPL		263,000.00
3/17	Debit	WCJB Tape	50.00	
3/19	Debit	Printing	1,625.47	
3/20	Debit	Traveler checks-CAFP	1,010.00	
3/21	Debit	Expenses-CAFP Speaker	200.00	
3/21	Debit	Travel-CAFP	4,590.00	
3/21	Debit	CAFP Subcontract-Semilla	1,714.34	
3/21	Debit	Expense Reimb.-Smith	1,437.72	
3/21	Debit	Videotape Production Crew	6,206.85	
3/24	Debit	Office Rent	4,500.00	
3/24	Debit	Computer Rental-Smith	270.06	
3/24	Debit	Traveler checks-CAFP	404.00	
3/25	Debit	UPS	7.49	
3/25	Debit	Subcontractor-Smith	2,520.00	
3/26	Debit	Smith News Conference Room Rental	399.74	
3/26	Debit	Audio Dubbing	25.00	
3/28	Debit	CAFP Subcontractor-Castellanos	1,500.00	
3/28	Debit	CAFP Subcontractor-Schwartz	1,650.00	
3/26	Deposit	NEPL		724,990.00
3/26	Debit	CAFP Bills-AMEX	8,838.96	
3/31	Debit	Press Conference Releases	43.64	
4/1	Debit	CAFP-Videotape Dubs	132.50	
4/1	Debit	WCLF-TV Videotape	56.25	
4/1	Debit	Maps-SDI	21.09	
4/2	Debit	Smith Expenses	1,312.84	
4/2	Debit	Smith UPS	10.81	
4/2	Debit	Smith Report Supplies	2,385.15	
4/7	Debit	Couriers	1,772.15	
4/7	Debit	FEDEX	40.00	
4/7	Debit	FEDEX	13,678.50	
4/7	Debit	Telephone	535.00	

UNCLASSIFIED

DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
4/7	Debit	IRD-Speaker CAFP	800.00	
4/8	Debit	Bumper Stickers	1,953.00	
4/9	Debit	Telephone	4,885.30	
4/9	Debit	Freinds of Freedom -I.C. Inc.	740,000.00	
4/8	Debit	Translator CAFP	1,799.00	
4/14	Deposit	NEPL		100,650.00
4/14	Debit	Cong. Quarterly Maps	42.18	
4/15	Debit	CAFP Subcontractor-Castellanos	196.00	
4/16	Debit	Congressional Direct.	26.00	
4/18	Debit	Printing-CAFP	216.00	
4/18	Debit	Telephone	1,934.31	
4/18	Deposit	NEPL		29,977.00
4/21	Deposit	NEPL		170,000.00
4/21	Debit	Flores Expenses-CAFP	83.09	
4/21	Debit	Telephone	800.00	
4/21	Debit	AMEX	42,960.00	
4/18	Debit	Telephone	966.09	
4/21	Debit	Photographer	305.00	
4/21	Debit	CAFP Expen.-Castellanos	301.19	
4/28	Debit	Postage	110.00	
5/5	Debit	Tape Stock	280.37	
5/2	Debit	National Review Reprint	1.00	
5/5	Debit	Congressional Record	218.00	
5/5	Debit	Photo Reproduction	222.87	
5/7	Debit	NEPL Printing	447.56	
5/5	Debit	U.S. Documents	5.00	
5/8	Deposit	NEPL		1,250,000.00
5/8	Debit	ACYPL Dinner	1,000.00	
5/9	Debit	Postage	16.41	
5/14	Debit	Nightline Transcript	2.00	
5/14	Debit	Friends of Freedom -I.C. Inc.	1,250,000.00	
5/15	Debit	Supplies	805.66	
5/15	Debit	Copying	398.60	
5/15	Debit	NPC Room Rental	355.86	
5/15	Debit	Interpass	1,100.00	
5/15	Debit	WETA Tapes	25.00	
5/15	Debit	WETA Transcripts	130.00	
5/15	Debit	Translations	2,300.00	
5/15	Debit	Couriers	1,487.57	
5/15	Debit	SDI Brochure Design	2,019.57	
5/15	Debit	Videotape Dub	25.00	
5/15	Debit	WTLV Tape	100.00	
5/16	Debit	Expenses-CAFP	5.10	
5/21	Debit	Postage	110.00	
5/23	Debit	AMEX	11,585.66	
5/29	Debit	Couriers	235.25	
5/29	Debit	Telephone	1,312.53	
6/1	Debit	Audio tape Dub	40.00	
6/3	Debit	Maps-CAFP	5.30	

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DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
6/3	Debit	Video Production	761.00	
6/9	Debit	Portfolios-CAFP	74.40	
6/11	Debit	SDI Briefing Books	669.04	
6/13	Debit	Copying	2,022.29	
6/13	Debit	NEPL Maps	39.08	
6/16	Debit	NEPL Maps	150.00	
6/16	Deposit	NEPL		72,929.00
6/19	Debit	AMEX	4,799.12	
6/19	Debit	Telephone	1,137.26	
6/19	Debit	Couriers	248.00	
6/19	Debit	Photography	414.00	
6/19	Debit	Radio/TV Monitoring	442.66	
6/19	Debit	Supplies	965.53	
6/19	Debit	Nova Tapes	4.00	
6/19	Debit	FEDEX	1,580.50	
6/19	Debit	FEDEX	574.85	
6/19	Debit	FARA Registrations	2.40	
6/19	Debit	NEPL Maps	150.00	
6/23	Debit	National Journal	93.28	
6/23	Debit	Eason Associates-SDI Brochure	12,000.00	
6/27	Debit	NEPL Tape Dubs	40.00	
6/27	Debit	NEPL Tape Dubs	175.00	
7/1	Debit	Postage	110.00	
7/10	Debit	Translations	697.00	
7/10	Debit	Couriers	272.25	
7/10	Debit	Telephone	306.47	
7/10	Debit	FEDEX	333.25	
7/10	Debit	Supplies	813.67	
7/10	Debit	Photography	58.30	
7/10	Debit	Lion Recording	11.13	
7/10	Debit	Smith final Expenses	600.00	
7/16	Debit	Forbes Reprint	6.50	
7/17	Deposit	NEPL		46,193.00
7/21	Debit	Travel-CAFP	3,000.00	
7/21	Debit	Traveler Checks-CAFP	606.00	
7/24	Debit	Traveler Checks-CAFP	1,111.00	
7/24	Debit	Flores Expenses	51.13	
7/24	Debit	FEDEX	255.75	
7/24	Debit	Graphics-SDI	212.00	
7/24	Debit	Printing	126.66	
7/24	Debit	Radio/TV Monitoring	152.64	
7/24	Debit	TV Production	566.04	
7/24	Debit	AMEX	5,036.85	
7/24	Debit	Telephone	200.00	
7/24	Debit	FEDEX	21.50	
7/29	Debit	Catterton Printing	315.50	
7/31	Debit	NEPL Expenses	42.10	
7/31	Deposit	NEPL		6,100.00
8/4	Debit	SDI Graphics	2,500.00	

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DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
8/12	Debit	Recording Services	126.60	
8/12	Debit	Expenses-CAFP	40.44	
8/18	Deposit	NEPL-SDI		14,000.00
8/18	Debit	SDI Subcontractors	5,000.00	
8/21	Debit	Couriers	234.50	
8/21	Debit	Telephones	200.00	
8/21	Debit	Nexis Searches	2,847.10	
9/15	Debit	Wesley Smith Final Expenses	296.70	
9/15	Debit	AMEX	15,062.01	
9/18	Debit	Cagle and Associates-NEPL-SDI	2,403.33	
9/18	Debit	Couriers	533.75	
10/9	Debit	Couriers	272.25	
10/14	Deposit	NEPL		20,000.00
10/22	Debit	AMEX	41,768.13	
10/22	Deposit	NEPL		7,652.95
10/30	Debit	SDI-Writer Subcontract	7,600.00	
10/30	Debit	NEPL-SDI Supplies	119.85	
10/30	Debit	NEPL-SDI News Conference	597.57	
10/30	Debit	NEPL-SDI Defense News	65.00	
10/30	Debit	Radio/TV Monitoring	322.74	
10/30	Debit	Photos-NEPL	159.00	
10/30	Debit	NEPL-Tape Dubs	164.30	
10/30	Debit	NEPL Books	50.00	
10/30	Debit	FEDEX	1,263.00	
10/30	Debit	FEDEX	266.00	
10/30	Debit	FEDEX	171.75	
10/30	Debit	Copying	652.41	
10/30	Debit	Guillen Expenses	17.60	
10/30	Debit	TELEX	229.24	
10/30	Debit	Lawyer Fees	12,658.62	
10/30	Debit	Nexis	1,293.67	
11/3	Debit	[redacted]	10,000.00	
		Total Debits	2,780,787.43	
		Total Deposits		3,433,098.79

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SECTION 3

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THE COMPANIES LAW

Company Limited by Shares

MEMORANDUM OF ASSOCIATION 000019

OF

I.C. INC.

1. The name of the Company is "I.C. INC."

2. The Registered Office of the Company will be situate at the offices of Cayhaven Corporate Services Limited, Swiss Bank Building, Fort Street, George Town, P.O. Box 1043, Grand Cayman, Cayman Islands, British West Indies.

3. The objects for which the Company is established are:

(i) To distribute any benevolent contributions made by foundations, private organisations and individuals to other worthy benevolent organisations and political entities representing such organisations.

(ii) To acquire any shares, stocks, debentures, debenture stock, bonds, mortgages, notes, bankers' acceptances, obligations and other securities issued by any company, corporation or undertaking of whatever nature and wheresoever constituted or issued or guaranteed by any government, sovereign ruler, commissioners, trust authority or other body of whatever nature, by original subscription, syndicate participation, tender purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof.

(iii) To buy, sell and deal in all commodities and commodity futures, including silver and to buy sell and deal in bullion and specie, to receive money and valuables for safe custody or otherwise other than on deposit repayable by cheque or order, to collect and transmit money and securities, to grant and issue letters of credit, circular notes and to manage and advise on the management of securities and investments.

(iv) To carry on business as capitalists, financiers, concessionaires, brokers and merchants and to undertake and carry on and execute all kinds of financial, commercial and trading operations, except banking and trust operations

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carry on any other business which may seem to be capable of being conveniently carried on in connection with or/ of these objects or calculated directly or indirectly to enhance the value of, facilitate the realisation of, or render profitable any of the Company's property or rights.

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(v) To provide or procure management, including the management of investments and other property, administrative, sales and technical assistance, service and advice on a contract, loan, secondment, employment or other basis and to provide consultants staff and employees who will give management, administrative, sales, marketing and technical assistance, service and advice to any person or company anywhere in the world on any matter or any type of business whatsoever and to act as managers, registrars, administrators, secretaries, auditors, accountants of bodies corporate or unincorporate in any part of the world, for the Company's account or for third parties.

(vi) To buy, sell, deal in, trade, transact, lease, hold, improve, sub-divide, or develop real estate, and the fixtures and personal property incidental thereto or connected therewith and to acquire by purchase, lease, hire or otherwise, lands and all forms of buildings or constructions or any interest therein and to improve the same generally to hold, manage, deal with and improve the property of the Company, and to sell, lease, mortgage, pledge or otherwise dispose of the lands, buildings and constructions or other property of the Company..

(vii) To carry on the business of farming in all its branches, including without prejudice to the foregoing generality arable and fruit farmers, dairy and poultry farmers, live stock breeders of every variety of animal whether bred of pedigree stock or otherwise, and also fishermen.

(viii) To contract for public or private loans and to negotiate, underwrite and issue the same; without prejudice to the foregoing generality with reference to commodity, com[illegible] futures, or foreign exchange contracts to enter into [illegible] or forward contracts for the acquisition or disposal of such assets.

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(zzz) To do all such things as may be considered to be incidental or conducive to the above objects or any of them.

AND IT IS HEREBY DECLARED that the objects of the Company as specified in each of the foregoing paragraphs of this clause (except only in so far as otherwise expressed in any such paragraph) shall be separate, distinct and independent objects of the Company and shall not be in anywise limited by reference to or inference from any other paragraph or the order in which the same shall occur or the name of the Company.

AND IT IS FURTHER HEREBY DECLARED that the Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Islands; Provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Islands, and exercising in the Islands all of its powers necessary for the carrying on of its business outside the Islands.

4. The liability of the members is limited.

5. The capital of the Company is US$900,000.00 divided into 900,000 shares of a nominal or par value of US$1.00 each provided always that subject to the provisions of the Companies Law, Cap. 22 as amended and the Articles of Association the Company shall have power to redeem any or all of such shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.

Certified to be a true and correct copy

SIG............
WOODWARD L. TERRY

DATE...16.5.86...............

REGISTRAR OF COMPANIES
EXEMPT
CAYMAN ISLANDS

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We, the several persons whose names, addresses and descriptions are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS		NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER
CAYHAVEN CORPORATE SERVICES LIMITED P.O.Box 1043, George Town, Grand Cayman	Per: (Sgd.) David G. Bird David G. Bird - Director	One Share
DAVID G. BIRD P.O.Box 265, George Town, Grand Cayman	(Sgd.) David G. Bird Attorney-at-Law .	One Share
ALASTAIR J.H. LOUDON P.O.Box 265, George Town, Grand Cayman	(Sgd.) Alastair J.H. Loudon Attorney-at-Law	One Share

Dated April 25, 1985

(Sgd.) C. KIPLING
Witness to the above signatures:Christiane Kipling

Address: P.O.Box 265, Grand Cayman

Occupation: Secretary

I, DELANO O. SOLOMON Dep
Registrar of Companies in and for the Cayman Islands DO HEREBY CERTIFY that this is a true copy of the Memorandum of Association of "I.C. INC.".

Dated this 26th day of APRIL 1985

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[redacted]

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CERTIFIED SPECIAL RESOLUTIONS OF THE SHAREHOLDERS

OF

I.C. INC.

"RESOLVED that the amended Memorandum of Association be and is hereby adopted in place of and to the entire exclusion of the existing Memorandum of Association."

"RESOLVED that the name of the Company be changed to INTEL CO-OPERATION INC."

WE HEREBY CERTIFY THAT THE ABOVE ARE TRUE COPIES OF RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY WHICH WERE ADOPTED ON 9TH MAY, 1986.

CAYHAVEN CORPORATE SERVICES LIMITED

Per:.......................................
Secretary

13th May, 1986

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and transmit money and securities, to grant [illegible]

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INTEL CO-OPERATION INC.

Schedule of Receipts

April 25, 1985 (date of incorporation)
to December 31, 1985:

Sept. 27, 1985	I.B.C.	100,000.00
Oct. 29, 1985	I.B.C.	250,000.00
Nov. 13, 1985	I.B.C.	80,000.00
Nov. 13, 1985	I.B.C.	40,000.00
Nov. 27, 1985	Bank draft - Continental Bank	5,000.00
		475,000.00

January 1, 1986
to December 31, 1986:

Jan. 1, 1986	I.B.C.	360,000.00
Apr. 4, 1986	I.B.C.	740,000.00
May 15, 1986	I.B.C.	1,250,000.00
Aug. 7, 1986	Nat. Endowment for Preservation Liberty	100,000.00
Oct. 2, 1986	Nat. Endowment for Preservation Liberty	200,000.00
Oct. 8, 1986	Nat. Endowment for Preservation Liberty	100,000.00
Oct. 21, 1986	Nat. Endowment for Preservation Liberty	50,000.00
		2,800,000.00

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INTEL CO-OPERATION INC.

Schedule of Distributions

April 25, 1985 (date of incorporation)
to December 31, 1985:

Oct. 8, 1985	Lake Resources Inc.	100,000.00
Nov. 1, 1985	Lake Resources Inc.	150,000.00
Nov. 1, 1985	[redacted]	100,000.00
Nov. 14, 1985	Lake Resources Inc.	48,000.00
		398,000.00

January 1, 1986
to December 31, 1986:

Jan. 2, 1986	Barclays Bank, Miami	40,000.00
Jan. 21, 1986	Barclays Bank, Miami	20,000.00
Jan. 21, 1986	Lake Resources Inc.	360,000.00
March 17, 1986	Riggs Nat. Bank - Katyal	15,000.00
Apr. 11, 1986	Lake Resources Inc.	650,000.00
Apr. 21, 1986	Gulf & Caribbean Foundation	14,254.00
May 5, 1986	1st American Bank - Carlos Ulet	10,000.00
May 9, 1987	Barclays Bank, Miami, Denise Ponce	11,000.00
May 14, 1986	World Affairs Counselors Inc. (WACI)	10,000.00
May 16, 1986	WACI	125,000.00
June 4, 1986	[redacted]	15,000.00
June 13, 1986	Barclays Bank, Miami	500,000.00
June 13, 1986	[redacted]	7,000.00
June 13, 1986	Latin American Strategic Studios Institute	5,000.00
June 13, 1986	Institute on Terrorism & Subnational Conflict	75,000.00
June 13, 1986	Intercontinental Bank, Miami	10,000.00
July 3, 1986	Friends of the Americas	125,000.00
July 14, 1986	WACI	38,000.00
July 2[illegible], 1986	[redacted]	7,000.00
July 28, 1986	Latin American Financial Services	55,700.00
July 28, 1986	Latin American Strategic Studies Institute	5,000.00
July 28, 1986	Barclays Bank, Miami	10,000.00
July 28, 1986	Gulf & Caribbean Foundation	6,928.00
July 29, 1986	WACI	10,000.00
	Carried forward	2,124,882.00

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	Brought forward	2,124,882.00
	WACI . . .	10,000.00
August 29, 1986	Latin American Strategic	
Sept. 19, 1986	Studies Institute	20,000.00
	[redacted]	7,000.00
Sept. 19, 1986	Latin American Strategic Studies	
Sept. 19, 1986	Institute	5,000.00
	[redacted]	100,000.00
Sept. 26, 1986		150,000.00
Oct. 2, 1986	WACI . . .	20,000.00
Oct. 2, 1986	WACI . . .	49,000.00
Oct. 7, 1986	WACI . . .	10,000.00
Oct. 8, 1986	WACI . . .	5,000.00
Oct. 21, 1986	[redacted]	10,000.00
Oct. 21, 1986	Agro Bank - Polca S.A.	25,000.00
Oct. 21, 1986	WACI . . .	10,000.00
Nov. 12, 1986	Latin American Strategic	
Nov. 12, 1986	Studies Institute	5,000.00
	WACI . . .	65,000.00
Nov. 26, 1986	[redacted]	75,000.00
Nov. 26, 1986	WACI . . .	100,000.00
Dec. 18, 1986	Latin American Strategic Studies	10,000.00
Dec. 18, 1986	Institute	
		2,800,882.00

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SECTION 4

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NATIONAL ENDOWMENT
FOR THE
PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

August 1, 1985

Mr. Richard R. Miller
President
International Business Communications
1523 New Hampshire Ave., NW
Washington, D.C. 20009

Dear Mr. Miller:

This letter is a formal retainer agreement between International Business Communications and the National Endowment for the Preservation of Liberty. While we have engaged I.B.C. for work on programs of the Endowment and the political action committee, The American Conservative Trust, at a fluctuating monthly fee we would like to undertake a more formal arrangment.

The present agreement made verbally by you, me and Daniel L. Conrad, NEPL Executive Director, called for a monthly retainer of fifteen thousand dollars plus expenses. This agreement was made before the proliferation of our public education and political programs. With this in mind we agree to begin paying I.B.C. a monthly retainer of forty thousand dollars and we understand that I.B.C. reserves the right to increase the charges to the Endowment to meet increases in costs such as personnel and operating expenses. At the time of billing and throughout the month I.B.C. will try to apprise us of potential extraodinary costs.

As you spend money collected from us to pay for programs you manage for us we will meet occassionally to discuss immediate and near-future expense needs. Since our programs are fast developing and can take on urgency not normally encountered in the public relations field, we understand that you may make occassional demands for cash deposits to cover major expenditures.

For the next few months you should be reviewing the cost of this arrangment to International Business Communications. Should we determine that these agreed upon operating standards do not work, we reserve the right to renegotiate the retainer arrangement. You will provide Mr. Conrad with written or oral cost analysis at the time of submission of your expenses and time and billing records.

If this agreement is acceptable please countersign this letter and return it to us.

Sincerely,

Carl Russell Channell
President

Richard R. Miller
President

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January 20, 1986

Mr. Carl Russell Channell
President
National Endowment for the
  Preservation of Liberty
305 fourth Street, N.E.
Washington, D.C. 20002

Dear Mr. Channell;

Thank you for including me in your winter meeting in Palm Beach, Florida this month. The chance to help plan the execution of programs by the National Endowment for the Preservation of Liberty, the American Conservative Trust were very useful in planning the I.B.C. level of effort needed to carry out our responsibilities to you.

The agenda of the Endowment and its related organizations is very ambitious and will take an extraordinary amount of talent, manpower and creative effort. I.B.C. is prepared to undertake this effort. We will however need to revamp our financial arrangments with you.

Here-to-date we have concentrated on the Nicaraguan public education effort and special programs designed to support the President in obtaining his goals in Central America. Now we are to undetake a manmouth program to educate the American Public, senior government officials and influencial Americans. This program will require major outlays of personnel and will require in and of itself the use of several senior level consultants. The monthly fees for this program alone will be forty thousand dollars plus expenses.

In your outline of the the 1986 programs, you have also directed that I.B.C. design and implement a program to promote the public's support of President Reagan's Strategic Defense Initiatfve. This program will require the development of a major briefing book for policymakers and SDI champions, the direction of a speakers tour and consultation with your advertising agencies on advertising campaigns. This effort will be undertaken for a monthly fee of twenty thousand dollars and expenses. I.B.C. will be responsible for all additional conusultant fees necessary to run this program.

The third program that you have asked us to consider working on are the Future of Freedom Seminar Series. These programs would undertaken by The American Conservative Trust and funded funded

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by contributors under an arrangment to be designated by you at a later time. However, we will incur expenses in the development of these programs and may need additional consultants and consulting organizations to be involved in the effort. Such additional consultants will be your financial responsibility through reimbursement to us. We will not undertake such efforts without your verbal approval.

Your terrorism film and conference ideas are not yet assigned to I.B.C. but we understand that may change at a later date.

Also, we understand that your Constitutional Minutes Project may also be assigned to us as a 1986 program but that formal agreement on this will wait until a later date.

Finally, one aspect of our financial arrangments needs to be clarified going into this year. We are not in a position to know the final purpose and use of all the services you request of us. As the "TO-DO" list reaches thirty and forty items at a given time, we simply execute the tasks you assign us as we can. In this operational mode it is impossible for us to independently bill your various organizations for specific work hours. Therefore it will be your responsibility to internally identify the end user of our billed services. We trust that this is an area that you and your lawyers are quite capable of handling yourselves.

The impact of your efforts on behalf of the President have been major and unique. We look forward to serving you in your efforts in 1986.

If this letter represents your understanding of our relationship, please countersign to letter and return it to me.

Sincerely,

Richard R. Miller
President
I.B.C.

Carl Russell Channell
President
NEPL

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CENTRAL AMERICAN
FREEDOM PROGRAM

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CENTRAL AMERICAN FREEDOM PROGRAM

Introduction

1986 is destined to be a landmark year in the advancement of freedom throughout the world. After a generation of increasing tyranny and authoritarianism, the winds of change are rising. These winds are carrying freedom movements on four continents toward a victory over communist domination.

And Ronald Reagan, leading a rejuvenated America, has caught these winds of change. He is dramatically aligning American policy, resources, and moral support with the force of that gathering storm.

President Reagan's policy, when fully developed, is destined to trigger the overthrow of communist tyranny. This will happen around the world, in Afghanistan, Angola, Mozambique, Kampuchea and, most important, Nicaragua.

America's relationship with communist Nicaragua experienced an absolute moral and political reversal when Ronald Reagan became President of the United States.

The Carter Administration, like millions of Nicaraguans, had been fooled by the communists who captured the leadership of the anti-Somoza revolution in 1979. Once in power, the communist junta began systematically lying to the world about the true policies and purposes of their revolutionary government.

But Ronald Reagan was not fooled. So, moved by new leadership, American policy toward Nicaragua's communist government changed sharply in 1981. Then the U.S. declared support for the Nicaraguan Freedom Fighters.

Since 1981, opposition to the communist-controlled Nicaraguan regime has gradually become a very powerful internal democratic movement. It claims the support of over 25,000 well armed Nicaraguans and literally hundreds of thousands of ordinary Nicaraguans. Nearly 400,000 (one out of every six Nicaraguans) lives under Freedom Fighter protection.

The democratic forces have endured years of conflict with a communist army easily six times their number. More remarkably, they have steadily increased their ranks in the midst of the struggle. These democratic forces

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continued to gain strength even during the year and a half that United States aid was suspended.

1986 finds the democratic forces stronger than ever. But so is their communist enemy. Ronald Reagan has offered decisive assistance to the democratic forces. And, if this assistance is fully endorsed by the Congress, it could, in fact, carry them to victory over communism in Nicaragua this year.

When victory occurs, it will have historic and political significance throughout the Western Hemisphere. Its impact will be felt by every Freedom Fighter in the world. Its possibility will haunt every communist dictator.

Finally, Ronald Reagan's actions will herald a new dynamic American policy. It is a policy of materially supporting freedom movements struggling to overthrow communist regimes. Freedom is on the offensive.

Description of the Problem

If Ronald Reagan is to succeed in meeting the needs of Freedom Fighter movements for years to come, it will be necessary to create a deep reservoir of public support for Freedom Fighters and the President's policy.

Such public support will come only if the American people truly understand the stakes and the opportunities the Reagan policies embody.

The memories of Vietnam, however inapplicable, remain fresh, as does the urge to have America fight for clearly recognizable just causes. So President Reagan, if he is to be successful, must carry into this foreign policy arena the unified support of the American people.

In spite of the headlines and the debates during the last five years, the American public remains woefully ignorant about Nicaragua. They don't understand the clear threat it poses to vital American security interests.

A 1985 public opinion poll showed more than one-third of those surveyed did not know which side the United States supports. Twenty percent thought we support the (communist) government!

A later poll found that among those aware of U.S. policy, 58% said we should not be giving aid to the Democratic Opposition.

It is tragic, but not surprising that so many people are ill-informed, and that so many oppose our policies. It's not surprising because the American public is the victim of an intense, sophisticated multi-million dollar disinformation campaign. It is being conducted by

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opponents of the President.

The Sandinistas abuse the freedoms in the U.S. that they deny to their own people. They do this by hiring a Washington law firm and two public relations firms under contract to spread disinformation.

They are aided by the Soviet Union and Cuba. The Soviets and Cubans already spend tens of millions of dollars to shape public policy in America. Their actions are supported by a vast network of communist and leftist activist sympathizers. Soviet spokesmen regularly seek tv time. Phil Donahue gave Nicaraguan dictator Ortega an hour in October.

These people operate at the grass-roots level and in Washington. They use the media and all the tools at their disposal to undermine the policies of our elected government.

This is why President Reagan needs the support and cooperation of clear-thinking, patriotic Americans. We must counter the disinformation program of the Sandinistas. We must educate the public on the policies, the players, the dangers and the realities.

The National Endowment for the Preservation of Liberty is helping the President do just that.

Solution

The National Endowment for the Preservation of Liberty has undertaken a nationwide program of indefinite duration known as the CENTRAL AMERICAN FREEDOM PROGRAM.

The overriding goal of this program is to educate the American people. It will show the realities of communism in Nicaragua. It will show the threat to U.S. national security.

We have chosen television as the major vehicle. We believe it is the most successful to carry our educational and informative messages to the public.

The CENTRAL AMERICAN FREEDOM PROGRAM will require the National Endowment for the Preservation of Liberty to spend $2,000,000 in the next 90 days.

This is over $160,000 every week for public education and information on the issue of Nicaragua. A longer, $3 million program is under consideration and will be implemented if required to fully educate the American public.

When our program achieves its public awareness goals, it will become a useful model for similar activities by other in the future. Our program is truly unique. It has become the pioneering effort in this area.

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Central American Freedom Program

The National Endowment for the Preservation of Liberty is focusing its education program on seven issues. They are:

1) Nicaraguan communist persecution of its citizens;
2) Denial of religious and political rights;
3) The creation of an aggressive armed Soviet satellite on the North American continent;
4) The creation of Cuban bases inside Nicaragua;
5) The threat Nicaragua now poses to its neighbors both through state terrorism and outright aggression;
6) Support for revolution in El Salvador;
7) Betrayal of the true anti-Somoza democratic revolution by the Nicaraguan communists.

The issues listed above represent the principal points our programs will make in the minds of Americans. We are also emphasizing other issues such as the origin, nature, organization and objectives of the Freedom Fighters.

We are developing the images of the UNO leadership. We are graphically showing the situation facing over 400,000 Nicaraguan refugees. And we are presenting the political and human rights goals of the Freedom Fighters themselves.

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Public Affairs Components

Central American Freedom Program

The Sandinistas have two public relations firms and two law firms either registered as foreign agents or working sub rosa in the United States.

They have a combined budget of $2 million. They are using this war chest to concentrate on the districts of Congressmen who have opposed aid to the Freedom Fighters.

They have also stepped up the use of Op-Eds and articles in national newspapers written by sympathetic Americans. They have planted disinformation, too, like the recent articles accusing the FDN of drug trafficking.

An ignorant and misinformed public is one of the principal objectives of the communists. They recognize that ignorance and apathy in local communities across America leaves the doors wide open to the opponents of Administration policy.

And given the activism of those opponents, they are the ones who are often visible to members of Congress. A legislator who only hears from the critics can ignore logic and danger. He can vote to deny U.S. assistance to those on the front lines in the battle against communism in our hemisphere. So, the public must be better informed.

The public is quite unaware of the true nature of the Sandinistas as well as the existence of a viable democratic alternative. They do not support efforts to overthrow any government and fear U.S. involvement in another Vietnam.

This ignorance and the isolation it produces have been the Sandinista's principal advantages in the debate. We intend to evaporate those advantages through the use of truth.

Objectives

As Congressional debate heats up on this issue, we should expect the Sandinistas, their foreign agents and liberal sympathizers to give it all they have.

We are in the last weeks of a national campaign to be decided by the American public. If the public remains apathetic, the President's democratic initiative will be defeated.

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If we are successful, America will have a policy that sounds the death knell of America's post-Vietnam feeling of impotency. It will end America's retreat from her responsibilities as the leader of the free world.

To accomplish this, the National Endowment for the Preservation of Liberty is addressing four audiences using specifically targeted communications strategies:

> The public - Through the use of strong negative images of the Sandinistas recently reported in the media.
>
> Policymakers - Democratic leadership issues provide the groundwork for more challenging arguments that can influence liberals and moderates.
>
> Congress - Through issues now associated with America's leadership role in supporting democracy in the region against the developing communist threat. NEPL, as an educational organization, is not permitted to engage in lobbying activities. Our co-sponsor, Sentinel, is permitted to engage in lobbying activities and will undertake the responsibility of bringing this important issue to the attention of members of Congress.
>
> Freedom Fighter Leadership - Without a sound belief in the capabilities of the resistance's leadership, no policy can succeed in Congress.

Program Elements

Time is short and we are fighting for public support over a wide geographic area. So, we are treating this like a national educational campaign, with March 15 as our target.

We are using the methodology of national political campaigns. We are seeking to emphasize the disturbing truth about the communist control over Nicaragua. We are debating the unclaimed issues to our advantage. And we are reinforcing our positive public perceptions to educate and inform.

We are using advertising and public affairs programs for each of the four program objectives listed above. They are being handled as follows:

The Public - The public has been exposed recently to several negative images of the Sandinistas. We use these images to reinforce the public perception that the Sandinistas are communists and tyrannical dictators. We employ the following techniques:

> Television advertising - We have analyzed Congressional action on the last aid package. Based on this research, we are producing materials for

television spots which focus on:

1) Daniel Ortega's trip to Moscow and the $220 million commitment he received from the Soviets for offensive military weaponry.

2) The recent crackdown on human rights directed against the entire Nicaraguan population.

3) Ortega's purchase of $3,500 in designer eyeglasses while his people starve.

4) The communists militarization of Nicaragua through Soviet, Libyan, East German, Cuban and other advisors, and the use of Nicaragua as a command center for subversion of her democratic neighbors.

5) That Cubans are now proved to be actively involved in combat.

6) That Nicaragua has become a lair and a refuge.

7) The humiliation of Pope John II when he was spat upon and heckled when he tried to conduct Mass in Managua.

Spokesman program - using the prototype program already underway, we are placing speakers in 50 markets between now and March 15, 1986.

These speakers are booked into a civic club or professional organization in a market. Then they are scheduled for television, radio and newspaper interviews.

The speakers come from the ranks of the United Nicaraguan Opposition (UNO) leadership. They can defend all UNO participants.

They focus on Sandinista excesses and UNO as the democratic alternative. The principal concentration for these speakers are the southern and western states.

Battlefield Videotape - Sandinista state security agents rigidly control the movements of foreign correspondents, especially television journalists in or visiting Nicaragua. That control is exercised through:

1) Escort "guides" and interpreters;

2) Denial of access to selected parts of the country;

3) Imposition of "taboo" themes;

4) Screening and censorship of footage for export;

5) Monitoring of telephones and telex;

6) Expulsion or denial of entry to any offenders.

At the same time, coverage from the northern border is extremely arduous and far from the areas where the Resistance is operating.

The result is timid, selective, highly censored and heavily biased television coverage. Battle zones are only presented from the Sandinista perspective.

We are providing major media outlets and local television stations with videotape from the field. It shows scenes never seen before in the U.S.

It includes combat footage and evidence of Sandinista atrocities. We are also providing footage and commentary on events inside Managua and other major population centers.

This footage will be used in three ways:

1) An experienced advertising agency is producing advertising for distribution in as many as 50 selected markets across the United States.

2) A satellite feed will be edited and fed each time new footage is obtained. These feeds will reach approximately 200 television stations in the U.S. Usage reports will be received daily.

3) A new documentary on the face of communism in Nicaragua and the use of internal repression will be produced. This theme will be countered with a segment showing the Freedom Fighters as the logical outgrowth of Sandinista tyranny.

Policymakers

Given the compressed time frame, policymakers can be best reached through an effort that is visible in Washington and the national media. The issues used to reach Congress should be centered on America's leadership responsibilities in this hemisphere.

The primary effort is focused in specially selected areas of the country, but we are reinforcing this effort with a public affairs and education program including:

A. Articles and Op-Eds written by prominent American leaders on Nicaragua as a center of terrorism. We will use recent revelations of Nicaraguan arms being used in the Colombian Supreme Court assaults.

We will cite evidence of Libyan, PLO and Iranian terrorists working in Nicaragua. From these facts, we will produce articles for paid distribution, single placement in national newspapers and general media distribution.

B. Religious persecution of all faiths can be used to touch and educate the public, producing a positive effect on the policymakers.

Jewish, Catholic and Protestant organization publications are being approached to interview defectors and religious figures who know the persecution firsthand.

The National Endowment for the Preservation of Liberty is arranging a series of meetings with religious leaders and journalists. We will also help to produce an article by a prominent American religious figure for paid distribution.

C. Another Cuba on the North American Continent is unacceptable to almost all Americans. If the issue is picked up by constituents it would be a strong message for policymakers.

The National Endowment for the Preservation of Liberty is utilizing these arguments in the speakers program already underway. An American exiled Cuban has been commissioned to write an article for paid distribution throughout the U.S.

A Cuban exile leader has been added to the spokesman program.

D. Drugs and politics are a bad mix. Nicaragua's support for and role in narcotics trafficking are issues with which no one can publicly disagree.

We will ask Don Johnson of MIAMI VICE, or a strong anti-drug figure such as Rosie Greer, to give a briefing on the drug trafficking evidence the Administration has on the Sandinistas.

He will be asked to write an Op-Ed piece for national distribution through paid and direct placements.

The National Endowment for the Preservation of Liberty would seek to get this super-spokesman on major television shows such as TODAY and GOOD MORNING AMERICA.

We would also produce a news spot for satellite distribution.

E. The Sandinistas are violating human rights at an unprecedented level in this hemisphere.

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The National Endowment for the Preservation of Liberty is providing radio, television and newspaper interviews with two researchers who have compiled a report on Sandinista human rights violations.

They are being commissioned to do an update on their report with a trip to Honduras and Costa Rica. On their return they will hold a Washington news conference and issue a report to Congress through a respected Senator or Congressman.

F. The Revolution of 1979 has been betrayed by the Sandinistas. The National Endowment for the Preservation of Liberty will produce a news spot for satellite distribution on the lives of three former Sandinistas who now fight with the FDN/UNO.

Congress

We expect to reach Congress primarily through the media we will be using for the policymakers. However, special briefings will also be used to educate specific target audiences within this group.

These briefings will be arranged by our co-sponsor, Sentinel. Briefings may feature drug enforcement experts or political scientists who have studied Cuban expansionism.

Freedom Fighter Leadership

The National Endowment for the Preservation of Liberty has begun to provide spokesmen training for the leadership and provide information feedback to reinforce that training. We will provide UNO leaders with public opinion analyses.

When possible, we are incorporating the UNO leadership in events and briefings that further their image of unity.

Conclusion

Without an opportunity to see the truth about the Sandinistas, the American public will defeat democracy in Nicaragua.

Through its public education program, the National Endowment for the Preservation of Liberty will give the President a chance to free this continent of communism. We will strike a decisive blow for democracy.

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CENTRAL AMERICAN FREEDOM PROGRAM BUDGET

1. Television field projects

   Personnel

   - field producer
   - camera man
   - sound man
   - correspondent

   Equipment

   - six cameras
   - sound package
   - editing machine
   - character generators

   Transportation

   - airfares
   - ground transportation
   - local travel

   Travel expenses

   - in-country expenses
   - U.S. travel for editing

   Studio time

   - in-country studio for editing
   - U.S. production facilities

   Tapes supplies

   - tape stock
   - battery packs
   - lights and reflectors

   ($60,000 per month for 5 months) $ 300,000

2. Marketing of field TV programs

   (5 projects at $24,000 per) 120,000

3. Speaking tour program

Tour to include:
- speaking engagements
- editorial board meetings
- television interviews
- radio interviews
- newspaper interviews
- briefings for church, business, labor, political, and college organization leaders

Costs for tours
(January to March 15, 1986)

Travel
(7 weeks, 2 speakers, each week $8,700) $121,800

Per diem for speakers
($220 per day, 5 days per trip, 7 weeks for 2 speakers per week) 15,400

Expenses
(ground transportation, phones, tips, $800 per trip, for 14 one week schedules) 11,200

SUBTOTAL 148,400

4. Supplementary services, including:
- postage
- telephones
- telex
- couriers
- translations

($4,700 per month for 5 months) 27,750

5. Administration/Coordination, including:

Professional staff:
- 2 senior partners
- 1 local coordinator
- 1 Program Coordinator
- 1 Senior Writer
- 2 Account Executives
- 1 Media Coordinator

Verification of Placement
- clipping retrieval
- polling data assembling
- monitoring network feedback

($53,500 for 2 months, January to March 15) 107,000

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6.	Advertising and paid media		
	Television advertising:		
	Production of 4 TV messages	$ 80,000	
	D.C. media buys	225,000	
	Nationwide market buys	750,000	
	SUBTOTAL		1,055,000
7.	National Media Placement - Network and syndicated TV and Radio - National newspapers - National periodicals		158,850
8.	Polling and research - national - local		83,000
	GRAND TOTAL		$2,000,000

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3(D) Bill

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L.A.

David Hyman

? Jensen

1986

[illegible]

(Jim Bakker Show)
Feldman?
75 Ft Rich here advance team Kuck

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[illegible]

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ACTION PLAN FOR 1986 PROGRAMS OF THE AMERICAN CONSERVATIVE TRUST AND THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

Introduction - This action plan is divided into five specifically focused programs as directed by Mr. Channell. In each case the contractor and subcontractor designations are indicated. The programs are as follows:

FRIENDS OF FREEDOM PROGRAM - This program is an effort to directly support the President's initiatives in Central America and Nicaragua through political and educational institutions in the region. This program is based on direct grants to religious, political, academic and professional organizations in Latin and Central America.

CENTRAL AMERICAN FREEDOM PROGRAM - This program is an effort to educate the American public, policy makers and the media on the issues surrounding Nicaragua and the President's policy toward it. It incorporates a wide variety of public education tools including television productions, spokesmen tours, Op-Ed articles, commissioned journalistic documentaries and television advertising. The program goal is to establish a national consensus that will allow official American support for democracy as a policy.

SDI SUPPORT PROGRAM - This program is designed to support the President's Strategic Defense Initiative through a public education program. This program is based on the political assessment that the Soviets will seek to undermine the President and the national consensus he now enjoys on SDI. This issue will be focused in the Congress and media for the next 21 months, through two Congressional funding cycles, as the Soviets set up their misinformation program to combat SDI. The NEPL program is designed to provide strong public information programs in the national media, through televised messages, feature productions, and print advertising in the nationally read newspapers. The program will also provide media, academic and political organizations with speakers or guest journalist works to develop support for the President.

FUTURE OF FREEDOM SEMINAR SERIES - This program is a series of briefings for high level conservative activists on critical foreign policy, monetary and national issues. The ACT will seek to host a series of formal meetings with a senior government official to brief senior ACT and NEPL contributors on current critical issues dealing with the national security,

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international terrorism, regional conflict resolution, as well as international monetary policy, domestic spending and tax policy. For the most part these events will be quiet, private gatherings hosted by ACT and featuring a briefing by a senior member of the Administration.

TERRORISM: A US RESPONSE - This program is an educational effort directed towards increasing public awareness of the connection between terrorism against Western governments and Soviet political brinksmanship. This program will use television, print and periodical distributions to communicate the need for a national program to combat terrorism. It will focus public attention on the role of the Congress, the President and our allies in combatting terrorism.

For each program discussed, this action plan outlines the key issues addressed by the program, an evaluation of present circumstances, the program objectives and the program elements to reach those objectives. In each case the contractor and subcontractor relationships are indicated, as are the specific communications vehicles selected for use in achieving the program's objectives.

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Central American Freedom Program

Introduction

1986 is destined to be a landmark year in the advancement of freedom throughout the world. After a generation of increasing tyranny and authoritarianism, the winds of change are rising. These winds are carrying freedom movements on four continents toward a victory over communist domination. And Ronald Reagan, leading a rejuvenating America, has caught these winds of change and is dramatically aligning American policy, resources, and moral support with the force of that gathering storm which is destined to overthrow communist tyranny in Afghanistan, Angola, Mozambique, Kampuchea and, most important, Nicaragua.

America's relationship with communist Nicaragua experienced an absolute moral and political reversal when Ronald Reagan became President of the United States.

The Carter Administration, like millions of Nicaraguans, had been fooled by the communists who captured the leadership of the anti-Somoza revolution in 1979. Once in power, the communist junta began systematically lying to the world about the true policies and purposes of their revolutionary government.

But Ronald Reagan was not fooled. So, moved by new leadership, American policy toward Nicaragua's communist government radically changed in 1981 and declared support for the Nicaraguan Freedom Fighters began.

Since 1981, opposition to the communist-controlled Nicaraguan government has gradually become a very powerful internal democratic movement. It claims the support of over 25,000 well armed Nicaraguans and literally hundreds of thousands of ordinary Nicaraguans. The democratic forces have not only endured years of conflict with a communist army easily six times their number, but have steadily increased their ranks in the midst of the struggle. These democratic forces continued to gain strength even during the year that United States aid was cut off.

1986 finds the democratic forces stronger than ever. But so is their communist enemy. Ronald Reagan, however, is preparing to offer decisive assistance to the democratic forces which, if fully endorsed by the Congress, could in fact carry to them to victory over communism in Nicaragua this year. When victory does in fact occur, it will have historic and political significance throughout the western Hemisphere. Its impact will be felt by every Freedom Fighter in the world. Its possibility will haunt every communist dictator. Finally, Ronald Reagan's actions will herald a new dynamic American policy of materially supporting freedom movements struggling to overthrow communist regimes.

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Tracking polls for last 5 y show a pervasive public ignorance of both the threat and the

Description of the Problem

If Ronald Reagan is to succeed in meeting the needs of the Freedom Fighter movements for years to come, it will be necessary to create a deep reservoir of support for the Freedom Fighters and the President's policy. Such public support will come only if the American people truly understand the stakes and the opportunities the Reagan policies embody. The memories of Vietnam, however inapplicable, remain fresh, as does the urge to have America fight for clearly recognizable just causes. So President Reagan, if he is to be successful, must carry into this foreign policy arena the unified support of the American people.

The National Endowment for the Preservation of Liberty is helping the President do just that.

Solution

The National Endowment for the Preservation of Liberty has undertaken a nationwide program of indefinite duration known as The Central American Freedom Program. The overriding goal of this program is to educate the American people and political elites about the nature of communism in Nicaragua and the threat to U.S. national security.

We have chosen television as the major vehicle we believe will be most successful in carrying our educational and informative messages to the public.

The Central American Freedom Program will require the ~~was indicated by the~~ National Endowment for the Preservation of Liberty to spend over one million, four hundred thousand dollars in the next ninety days. This means allocation of over one hundred thousand dollars every week for public education and information on the issue of Nicaragua. A ~~three~~ longer two million dollar program is planned in detail of the vote in Congress in late ~~[illegible]~~ May.

If our program achieves its public awareness goals, it ~~may~~ will become a useful model for similar activities by others in the future. Our program is truly unique. It has become the pioneering effort in this area.

Central American Freedom Program

The National Endowment for the Preservation of Liberty has decided to focus its education program on seven issues. They are:

1) Nicaraguan communist persecution of its citizens;

2) Denial of religious and political rights;

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3) The creation of an aggressive armed Soviet satellite on the North American continent;

4) The creation of Cuban bases inside Nicaragua;

5) The threat Nicaragua now poses to its neighbors both through state terrorism and outright aggression;

6) Support for revolution in El Salvador;

7) Betrayal of the true anti-Somoza democratic revolution by the Nicaraguan communists.

The issues listed above represent the points our programs want to make in the minds of Americans. We will also discuss other issues such as who the Freedom Fighters are. We will develop the images of the UNO leadership. We will graphically show the situation facing over three hundred thousand Nicaraguan refugees. And we will discuss the political and human rights goals of the freedom fighters themselves.

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Public Affairs Components of Central American Freedom Program

The Sandinistas have two public relations firms and two law firms either registered as foreign agents or working subrosa in the United States. They have a combined budget of two million dollars and are concentrating on the districts of Congressmen who have opposed aid to the Freedom Fighters. They have also stepped up the use of Op-Eds and articles in national newspapers written by sympathetic Americans, as well as the planting of disinformation such as recent articles accusing the FDN of drug trafficking.

The public is quite unaware of the true nature of the Sandinistas as well as the existence of a viable democratic alternative. They do not support efforts to overthrow any government and fear U.S. involvement in another Vietnam. This ignorance and the isolationism it produces have been the Sandinista's principal advantages in the debate. We intend to evaporate those advantages through the use of truth.

Objectives

With the Congressional debate heating up on this issue, we should expect the Sandinistas, their foreign agents and liberal sympathizers to give it all they have. We are in the last weeks of a national campaign to be decided by the American public. If the public stays apathetic Congress will defeat the President's democratic initiative. If we are successful, America will have ~~had, debated and changed, and then debated and changed back~~, a policy that sounds the death knell of America's post-Vietnam feeling of impotency and retreat from world responsibilities.

To accomplish this we must address four audiences using specifically targeted communications strategies:

The public - Through the use of strong negative images of the Sandinistas recently reported in the media.

The Congress - Through issues now associated with America's leadership role in supporting democracy in the region.

Policymakers - Democratic leadership issues provide the groundwork for more challenging arguments that can influence liberals and moderates.

Freedom Fighter Leadership - Without a sound belief in the capabilities of the resistance's leadership, no policy can succeed in Congress.

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Program Elements

We propose to approach this program with the understanding that we are under considerable time constraints and are fighting for public support in areas widely dispersed across the United States. Therefore, we propose to treat this as a national political campaign, with March 15 as our target. Using the methodology of national political campaigns, we will seek to utilize our opponents negatives, debate the unclaimed issues to our advantage and reinforce our positive public perceptions.

We will use advertising and public affairs programs for each of the four program objectives listed above. They will be handled as follows:

The Public - The public has been exposed recently to several negative images or impressions of the Sandinistas. We will use these images to reinforce the public perception that the Sandinistas are communists and tyrannical dictators. We should employ the following techniques;

> Television advertising - following research into the Congressional votes cast on the last aid package, we will produce materials that ~~will be used by Robert Goodman and Associates to~~ focus on -
>
> 1) Daniel Ortega's trip to Moscow and the $220 million commitment he received from the Soviets in hard lethal military support.
> 2) The recent crackdown on human rights in Nicaragua against the entire population of the nation.
> 3) Ortega's purchase of $3,500 in designer eyeglasses while his people starve.
> 4) The communist militarization of Nicaragua through Soviet and Cuban advisors and the use of Nicaragua as a command center for subversion of her democratic neighbors. Libyan, East Germ
> 5) The incident when Pope John II was spat upon and heckled when he tried to say Mass in Nicaragua signalling an era of religious persecution
> 6) That Cubans are now proved to be actively involved in combat.
>
> Spokesman program - using the prototype speakers program begun by I.B.C., NEPL will place speakers in 30 markets between now and March 15, 1986. These speakers will be

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booked into a civic club or professional organization in a market and then scheduled for television, radio and newspaper interviews. The spokespeople come from the ranks of the UNO leadership and are capable of defending all UNO participants.

These speakers will focus on Sandinista excesses and UNO as the democratic alternative. The principal concentration for these speakers will be the southern and western states.

Battlefield Videotape - There are two battlefields in Nicaragua, one inside the principal cities and one in the countryside. We intend to provide major media outlets and local television stations with never-seen-before videotape from the field, including combat footage and evidence of Sandinista atrocities. We will also provide footage and commentary on events inside Managua and other major population centers.

This footage will be used in three ways:

1) An ad agency ~~Robert Goodman and Associates~~ will produce advertising for distribution in selected markets across the United States. in as many as 50

2) A satellite feed will be edited and fed each time new footage is obtained. These feeds will reach approximately 200 television stations in the U.S.. Reports of usage will be daily.

3) ~~I.B.C. will commission~~ A new documentary on the face of communism in Nicaragua and the use of internal suppression will be produced. This theme will be countered with a segment showing the Freedom Fighters as the logical outgrowth of Sandinista oppression.

Congress - Given the compressed time frame, Congress will be best reached through an effort that is visible in Washington and the national media. The issues used to reach Congress should be Centered on America's leadership responsibilities in this hemisphere. The primary effort will be centered in Congressional districts, but we should reinforce this effort with a public affairs program including:

A. Articles and Op-Eds written by prominent American leaders on Nicaragua as a center of terrorism. Using recent revelations of Nicaraguan arms being used in the Colombian Supreme Court assaults and Libyan, PLO and Iranian terrorists working in Nicaragua, we will produce articles for paid distribution, single placement in national newspapers and general media distribution.

Insertion

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is it Spokesmen program. Spokesmen program or Spokesmen program.

touch and/educate the people which could have an effect on the Congress

B. Religious persecution of all faiths can be used to ~~generate public pressure on Congressmen.~~ Jewish, Catholic and Protestant organization publications should be approached to interview defectors and religious figures who know the persecution firsthand. NEPL ~~I.B.C~~ ~~will~~ is arranging a series of meetings with religious leaders and journalists. I.B.C. will also help to produce an article by a prominent American religious figure for paid distribution.

C. Another Cuba on the North American mainland is unacceptable to ~~most~~ all Americans. If the issue is picked up by constituents it would be a strong message for Congress. ~~I.B.C.~~ NEPL ~~will~~ is utilizing these arguments in the speakers program they have begun. An American exiled Cuban ~~will be~~ has been commissioned to write an article for paid distribution throughout the U.S. A Cuban exile leader ~~will be~~ has been added to the spokesmen program.

D. Drugs and politics are a bad mix and the chance to have a single issue which no one can publicly disagree with is irresistable. We propose to ask that Don Johnson of "Miami Vice", or a strong anti-drug figure such as Rosie Greer, be given a briefing on the drug trafficking evidence the Administration has on the Sandinistas. That person would be asked to write an Op-Ed piece for national distribution through paid and direct placements. ~~NIBC~~ would seek to get this super-spokesman on major television shows such as TODAY and GOOD MORNING AMERICA. ~~I.B.C.~~ would also cut a news spot for satellite distribution.

please totally rewrite delete the irresistable reference.

E. The Sandinists are violating human rights at an unprecedented level in this hemisphere. ~~NIBC~~ ~~can~~ is provide radio, television and newspaper interviews with two researchers who have compiled a report on Sandinista human rights violations. They could be commissioned to do an update on their report with a trip to Honduras and Costa Rica. On their return they could hold a Washington news conference and issue a report to Congress through a respected Senator or Congressman.

F. The Revolution of 1979 has been betrayed by the Sandinistas. I.B.C. would produce a news spot for satellite distribution on the lives of three former Sandinistas who now fight with the FDN/UNO.

Policymakers - We expect to reach this group primarily through the media we will be using for Congress. However, special briefings, either set up by I.B.C. or arranged through a grant to another organization, will be used to educate specific target audiences within this group. Briefings may feature drug

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enforcement experts or political scientists who have studied Cuban expansionism.

Freedom Fighter Leadership - I.B.C. will provide spokesmen training for the leadership and provide information feedback to reinforce that training. UNO figures will be provided with analyses that can help shape their public pronouncements. When possible, NEPL will incorporate the UNO leadership in events and briefings that will further their image of unity. I.B.C. will weave this theme of unity into all advertising, Op-Ed articles and paid distributions.

Conclusion - Without an opportunity to see the truth about the Sandinibtas, the American public and its elected representatives will defeat democracy in Nicaragua. Through its public education program, NEPL will give the President a chance to free this continent of communism and strike a decisive blow for democracy.

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BUDGET

correct

1. Television Field Projects ($20,000 per month for 5 mo.) $100,000

Personnel	-field producer -sound man -camera man -correspondent
Equipment rentals	-camera -sound package -editing machines -character generators
Transportation	-airfares -ground transportation -local travel
Per diem expenses	-in-country expenses -U.S. travel for editing
Representations	-local gratuities
Studio time	-in-country studio editing -U.S. production facilities
Tapes and Supplies	-tape stock -battery packs -lights and reflectors

Edelmann

correct

2. Marketing of field TV Programs (5 projects at $15,500) and B-roll distribution $ ~~93~~ 77,000

3. Speaking Tour Program:

Tour will include:	-speaking engagements -editorial board meetings -television interviews -radio interviews -newspaper interviews - elites briefing (church) Business, political leaders, college organization leaders

Costs for tours:

January to March 15, 1986

Travel (7 weeks, for 2 speakers, each week $5,750)	$ 80,500
Per diem for speakers ($150 per day, 5 days per trip, 7 weeks for 2 speakers per week)	$ 10,500
Expenses (ground transportation, phones, tips, etc., $500 per trip, for 14 one week schedules)	$ 7,000
January to March Total ($7,000 average per trip)	$ 98,000
~~March 15 to September 30, 1986~~	
~~Travel, per diem and expenses for 1 trip per week for six months~~	~~$112,000~~
~~January to September Total~~	~~$210,000~~

Lobbying 100,000 (sentinel)
600 Congress
40 and special events

Tour

1
77
98
275,000

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Lobbying — 100,000
← Previous page $ 198,000
15,000
34,000

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Total $ ~~354~~,000 correct
→ 347

4. Supplementary Services, including:

-postage
-telephone
-telex
-couriers
-translations ($3,000 per month, for ~~8~~ 5 months) $ ~~24,000~~ 15,000

5. Administration/Coordination, including: 1-9 [illegible] coordinator

- ~~1 Program coordinator~~

Professional staff time of
- 2 senior partners
- 1 senior staff writer
- 2 account executives
- ~~1 media coordinator~~

describe what task each will have

Verifications of placement
- clipping retrieval
- polling data assembling
- monitoring network feedback

Total ($10~~,000 for 3 months)~~ ---- for 2 months ~~[illegible]~~ ~~$ 30,000~~
correct → 34,000 total

TOTAL BUDGET FOR ~~SIX MONTHS~~ 2 programs ~~$527,000~~

Budget omits all T.V, which should range from 50 000 production of messages through 150 000 D C 500,000 - 1,000,000 around the country

B+Q 800,000 ~~[illegible]~~ 3,000

50,000 commission
50,000 [illegible] media
200, [illegible]
77 B R[illegible]

275,000
31,000
306,000

Edelman

IBC approx 406,000 through 7 weeks

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minimum effective budget

IBC	306,000	
polling	50,000	
DC media	150,000	
media prod.	50,000	
media-network	500,000	+ 500,000 1,000,000
IBC Lobbying	100,000	
NERL admin	250,000	+ 100,000 ~~200,000~~
	$ 1,356,000	or $ 1,956,000

approx media 200-1,000,000
NERL 250-400,000

7 weeks
1 month
200,000 per week
[illegible]

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Strategic Defense Initiative

Introduction

President Reagan's Stragegic Defense Initiative (SDI) is the most significant strategic development in the history of U.S.-Soviet relations since the acquisition of the atomic bomb by the Soviet Union. If allowed to be fully deployed it will greatly enhance America's security. As important, it will offer the super powers a dramatic opportunity to establish a lasting peace. The Congress, however, has been slow to realize the opportunity inherent in a fully funded on-time SDI. It has only provided about 60 percent of the President's funding request for SDI research and development in the past three years. Thus, the program at current funding levels will be consciously delayed and drawn out. Timing is important. The Soviets are determined to deploy their own program and are proceeding with an accelerated development of new offensive and defensive strategic systems while the United States lags.

~~Key Issues~~ Soviet Fear of American Advancement

The obvious enhancement of American defenses accomplished under the Reagan Administrations and the promise of a strategic defense program are primerily responsible for having brought the Soviets to the Geneva summit. ¶ Lagging in technology, economic vitality, and sophistication, and pressed to commit resources elsewhere, the Soviet Union fears the American SDI, because such a system and its foreign policy power implications will be able to neutralize the threat of the massive Soviet nuclear arsenal. The inability to maintain the credible destructive capability threat of that arsenal necessarily weakens the Soviet power/intimidation position vis-a-vis the United States and with regard to the rest of the world.

It is a common thread of Soviet foreign policy to threaten to rain down awesome nuclear destruction on nations the Soviets wish to influence through naked nuclear intimidation. Every Soviet leader raises the threat. Gorbachev used it just last month in a letter to the greater London City Council. This type of naked threat is of special and important relevance to Soviet relations with China, Western Europe, Cuba and Japan. ¶ A fully deployed Strategic Defense will confront the Soviets with a new reality, one which will require a more credible and necessarily more peaceful behavior in the world arena for decades to come.

The Soviet Union failed to win concessions on SDI in Geneva. But it expended tens of millions of dollars in the months leading up to Geneva in attempting ~~to shape~~ European and American public opinion against SDI. So ~~important~~ [illegible] is SDI's failure to Soviet strategy that the Russians have continued to use their vast

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resources in a propaganda and disinformation struggle against the Reagan Administration's proposed system. Although other reasons have been given, the Soviet delay until September of the proposed June summit in the United States is designed to give the Russians more time for their efforts to weaken the President's SDI. Also, they may attempt to make it an election issue this fall.

The Vast Soviet Campaign to Capture American Public Support

Make no mistake about it. The Soviets genuinely fear a completed American Strategic Defense. But that fear does not concern their territorial safety. Rather, that fear concerns their continued ability to use the threat of nuclear annihilation to intimidate and blackmail other nations into submission or admission of Soviet supremacy.

With dramatic full-page advertisements in major newspapers, scores of television interviews, books, articles, front organizations and genuine governmental propaganda efforts, the Soviets are spending millions of dollars to prevent SDI from going forward as the President desires. Never have the Soviets wanted so desperately to block an American defense program. They understand well the power of American public opinion on government policy.

Although recent surveys indicate that Americans favor a workable alternative to mutual assured destruction (MAD), anti-nuclear interest groups have largely framed the SDI debate and succeeded in distorting public perceptions of what has lamentably become well known as "star wars". Here the ~~implication~~ emphasis is on war to the delight of the Soviets.

The Soviets are bolstered in their efforts by those in America who oppose SDI. The opposition uses seven key arguments:

- SDI will never work;
- means the militarization of outer space;
- escalates the arms race;
- research could go on indefinitely;
- costs too much;
- is nuclear;
- violates the SALT II agreements.

These arguments, combined with public and legislative concern about balancing the budget, resulted in Congressional funding of only 60 percent of what the President requested for the first stages of SDI research and development. The Spring legislative calendar will provide a window to secure full funding for the President's package and bring the program's timetable up to date. We must use this window of opportunity to strengthen America's security.

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Objectives

Given the high moral imperative of Strategic Defense for our long term security and possible peace, the National Endowment for the Preservation of Liberty believes that the current program for Strategic Defense must be realized. The sooner the better. To help educate and inform Americans about the nature of the Strategic Defense concept, the Endowment is conducting a multi-faceted public education and information program using a combination of media and press activities in order to:

1) reveal and counter Soviet disinformation and other untruthful information;

2) educate the public about the true significance and role of SDI to America's military and alliance security;

3) measure, describe and publicize public attitudes on the SDI;

4) study and report the impact of the public's views on SDI in selected areas around the country.

Program

NEPL will begin its program on March 15 and continue it through October of this year. In this manner, the program can fully operate during the framing of the debate in the primary election cycle in the Spring. Its timing will maximize its educational possibilities. At the same time, it will bring public attitudes to bear on the center of the debate, the U.S. Congress. The program will include the following activities:

— Rich — ↓

Presidential Message - A short video-taped statement by the President which can be shown to organizations around the country, as well as to participating groups in the program. It's effectiveness will depend on the use of the President's considerable communication skills to set out the significance and importance of SDI to the world and the next generation. (Greater receipt for production)

Television Education - Fifteen and thirty second television messages placed in carefully selected markets during critical stages in the program and in the public debate. This educational activity, proven so successful in other issue debates in the past, will be the heart of the program. ($800,000.00)

Newspaper Information - Full page messages (several thousand words in the New York Times, the Washington Post, USA Today and in at least 20 major newspapers in key markets across the country. These will lay out aspects of SDI in detail. ($283,000.00)

Rich ↓

Miller will a

- memo
- Cosponsored analysis
- Congressional meetings
- Newspaper ad
- articles of ea
2 Coalition Building, Briefings
- Possible press conference — get right approval
- prepare briefing book on Soviet SDI & American SDI + Bon.

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Talk Shows/Interviews - Promotion of appearances by SDI experts on national and local television public affairs programs, talk shows and interview programs where discussion of SDI will take place. ($60,000.00)

Op-Ed Articles - Writing and placement of Op-Ed articles in national, regional and local newspapers. The educational articles will be both ghost-written for the signature of notable public figures, and will be written by some of the figures themselves. ($10,000.00)

Television/Video Program - Production of a 10-15 minute video feature summarizing the key issues surrounding the SDI debate and stating clearly the consequences of a fully-funded SDI for America's increased security and the cause of a just peace. ($100,000.00)

Coalition Building - The National Endowment for the Preservation of Liberty is convinced that the SDI is a highly significant crucially important program which all Americans have a moral and patriotic obligation to understand and judge. Therefore, NEPL will aggressively increase the possible impact of its program by making its information available to as many individuals and groups as possible. Support of the President must be broad based.

B[illegible] to hit on

- Talk show 40,[illegible]000
- Movie 130,000

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Personal request.

BUDGET - SDI PROGRAM

8 Begins 15 March

I.B.C. monthly fee (~~$12,200~~ 7,000 x ~~10~~ 8 months)	$ ~~122,000~~ ~~98,000~~ 56,000
I.B.C. Overhead - 20%	~~24,400~~ ~~$19,600~~
Production of TV Spots	40,000
Media Buys - Placement of Spots	750,000
Newspaper Ads - One time only	
New York Times	30,000
Washington Post	28,000
USA Today	25,000
Approximately 20 local markets @ $10,000	200,000
TV Program - Production	100,000
Honoraria for Op-Ed Articles	
(5 articles at $2,500)	10,000
Total	~~$1,319,400~~

NDT

IBC

-need per week 180,000 thru Summit
-in fall per week 70,000

IBC 293,000 + monthly fee (minus overhead)

IBC 410,000
TV 1,320,000
Nwsp 250,000
1,980,000
including Summit
TV 160,000
Nwsp 30,000
2,170,000
including Senate
500,000
Nwsp 100,000
[illegible]

~~House~~
T.V. National
April 500,000
May 500,000

Sept 250,000
Oct 250,000
Senate

September or June Summit.
160,000

TV District
April 160,000
May 160,000
1,360,000
Nwsp adm 250,000
Total 1,610,000 [illegible]

+Summit
160,000
30,000
1,610,000

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THE FUTURE OF FREEDOM FORUMS

The SELECT 500 of the American Conservative Trust and other corroborating large opinion surveys indicate strong support among Republicans for Vice President Bush as a candidate for President in 1988. The overriding component of his popularity is his admirable service in the course of Ronald Reagan. However powerful and well funded activists have yet to be heard from. George Bush is currently very unpopular among many of these individuals. To write off or underestimate the energy and motivation of these people is to court disaster in the primaries. Many of these highly charged individuals love a gut fight and would rather be right than victorious. Such a mentality could ruin the long term impact of Ronald Reagan's achievements.

The Vice President needs a vehicle which he can utilize to reach the high dollar donors in the conservative ranks. These donors perceive him as a liberal Republican unsure of himself and without determination to lead in tough circumstances. These donors know too little of the Vice President's record, beliefs and policies. The Vice President's opposition is going to make as much headway as possible by playing on such misinformation and ignorance. He needs to reach them in order to head off major support for his opposition. He also has to correct lingering misgivings these people have about his resolve on foreign policy and other issues crucial to activist conservative issues. In articulating a strong foreign policy and reinforcing the domestic issues as needed, he can nullify the negative perceptions many of these people maintain. He must communicate in such a way that these people leave their time with him confident in his foreign policy expertise and mindful that past perceptions about his politics have been wrong.

We recommend that we seek to hold at least one dinner meeting per month commencing in late January 1986. For each event we could invite 30 to 50 of the "SELECT 500" contributors and others. The Vice President could be requested to speak on a particular issue such as Central America or Arms Control (See attached focus elements) as the focus element of the program. However, he might use these opportunities to extrapolate on all the issues he felt would be received well by this unique audience. This will require a carefully scripted event, using a practiced speech with several interchangeable elements and well prepared answers to follow-up questions.

WHY "The Future of Freedom Forums"-

Without some form of ongoing program, this will be viewed as an attempt to use the foundation to further George Bush's campaign strategy. We must be conscious of the need to preserve the Foundation's independence of action, nonpartisan focus and not to confuse a program to develop a truly American foreign and monetary policy with an total embrace of the Vice President's candidacy."

PURPOSE-

The conservative political leaders to be effective in 1988, must move now to shape foreign and monetary policy before the campaign shapes it for them. With a thorough program designed to develop the policies that will govern us into the next four to eight years, we can be assured that the historic gains made by President Reagan from 1980 to 1988 are not just held, but strengthened and fulfilled.

MECHANISM -

We recommend that we host small meetings of invited senior high dollar activist contributors, such as Patty Beck, Bunker Hunt, Leon Hess, Sandra di Portinova using either the American Conservative Trust's senior contributor list, names supplied by the Vice President's organization or a combination of both. These gatherings would be events of the "FUTURE OF FREEDOM FORUMS." Each potential participant would be told that he has an opportunity to hear and speak directly with the Vice President on foreign policy. They would be encouraged to attend to help perpetuate the Reagan accomplishments and agenda after 1988. They would be told that this meeting is part of a nonpartisan series to establish policy goals for the next President of the United States. Their help and direction would be greatly appreciated and is vital to preserve the gains made beginning with Ronald Reagan's first term.

We recommend that we meet and discuss a schedule at the earliest possible moment with the Fund staff.

Budget

- To IBC - arrangement for VP + staff 7,000 per mtg.
- ~~[illegible]~~

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- To Gadm 200,000 for year plus production of 5 papers on Bus
- Staff + V.P expenses 100,000

Need to have in account 1,000,000

We recommend the following focus elements:

Central America

This region is growing as an issue for Americans. Unfortunately the political leadship in this country has not faced up to the reality that we are face-to-face with a Soviet client state on our mainland. With the exception of president Reagan, American politicians have not lead the way to ridding the continent of this threat.

The Strategic Defense Initiative

The concept of a united free world is worth protecting. And a defense strategy that protects the free world without killing people is worth protecting through its infant stage. No one in their right mind wants the U.S. to fund a program of lasers or other high-tech space defense systems if it can not work. But, we must not let pass an opportunity to make it work, nor the prospects that such success would hold for the children of the free world.

Soviet Expansionism

The Soviets occupy more countries throughout the world than any other nation. Including those nations subjugated in Eastern Europe we have a frightening picture. But there are signs of stress and fatigue in the "Iron Curtain." We, the democratic world, must find every way possible to assure that the next generation of Russians are more aware of the world as it really is rather than the world according to TASS.

Democratic Elections

Democratic elections are well overdue in the Phillipines and would seem to be a success in Guatemala. Countries that are voting democracies deserve all the help America can lend. We should serve to strengthen our committment to Democracy through our foreign aid program and trade policies.

Free Press

The right of democratic people to hear the truth is paramount. Any country that abridges freedom of the press should be reminded that our help is given first to those that adhere to all democratic principles and not just the few a government finds useful. We should actively support efforts to put third world nations in touch with space age information technology.

Terrorism

Terror as a weapon in nationalistic and international communist movements must be stopped cold. Those who use terror to intimidate democratic nations should pay a high and swift price for their actions. The President and the executive branch should begin an effort to coordinate with our allies to stamp out terrorist cells regardless if they have acted in proven efforts or not. We should support military operations that answer terrorists. We have much to contribute to such actions and any American would be proud to say his nation had helped to crush terrorism.

South Africa

This administration attempts to pit democracy against racism in a test of our ability to change governments without removing them. In the world there will always be moral issues that we can not change, this is not one of them. If we can continue to restrict our involvement with the South African government while seeking to up lift the South African people, we will achieve change. As a belligerent outsider we can hope to accomplish nothing.

Middle-east politics

We did not stand behind Israel in her three wars for independence to give her up now. She is the symbol and hope of an entire people. As the parties to a peace settlement move closer together, we must be prepared to use all our national resolve to force them to succeed. If we must put peace above friendship, the world will be the greater loser. Any peace must be inclusive and permanent.

The Third World

The Soviets have succeeded in installing far too many Marxist governments in areas where they provide no humanitarian assistance at all. We must start putting a price on our help...democratization. If we are to lead the world to a freer existence then we must free those that suffer from abject poverty as we work. But, the governments of these people must understand that support for democratic government and the economic freedoms that entails are the surest road to our help.

United Nations

The UN is a good forum for our views, but it has become the Soviet's favorite weapon to embarrass us. Amb. Kirkpatrick showed the world that such a body would not be taken lightly by the US any longer. We must use the UN as a forum to challenge tyranny and to remind those that seek our help in private and scorn us in public, that there is a price for such action.

Nuclear Buildup

The Reagan Adminstration is proud that it created a nuclear arsenal that is second to none. Afterall, to be second to a nation that has invaded its neighbors and projected military might into conflicts on other continents would be foolish. The responsible leadership of this nation knows that we must reduce the world's nuclear arsenals but not at the price of aggression by the Soviets. Whatever we agree to with the Soviet Union must be fully verifiable and aimed at the total elimination of nuclear weapons.

International Environment

The United States has been a leader on international environmental issues. While our government never seems to move fast enough for the environmental activists, we move well ahead of others on this issue. Our ban on whaling is complete and we have instituted a 200 mile limit for fishing to avoid the overfishing so common to the Asian basin.

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NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

TERRORISM: A U.S. RESPONSE

INTRODUCTION

Terrorism is the scourge of civilized nations--and it is growing more prevalent. There were an estimated 3,000 documented terrorist incidents throughout the world in 1985, of which about one-third were directed at business and industry. Western democratic nations, where many of the terrorist incidents occur, appear powerless to contain it--much less to bring it to an end.

To increasing degrees, terrorism prevents the freedom of movement, inhibits tourism, discourages investment and harms free trade. The very liberty the United States cherishes is threatened.

ISSUE

Except for sporadic actions carried out by Israel, the use of terror to achieve political ends appears to go on virtually unchecked. In Great Britain, following the killing by Libyan agents of a policewoman on the streets of London, diplomatic relations were broken with Libya. But trade was unaffected. More recently, Italy and Germany have been reluctant to impose any sanctions on Libya, the assumed lair or sponsor of terrorists, because of dependence on Libyan oil and to protect the current volume of trade.

What is emerging, it is clear, is the supplanting of diplomacy by terrorism as a key determiner of actions of states. When England, Italy, France and Germany fail to take action, when Yugoslavia gives refuge to the mastermind of the Achille Lauro hijacking, they invite further actions. And lesser states are cowed into silence and inaction.

The United States has placed counter-terrorism among its foreign policy priorities every year for nearly a decade (the State Department's counter-terrorism office was established in 1977). But beyond solemn pronouncements and routine condemnations, we have done little to counter this scourge.

Numerous arguments are often cited as reasons for not taking consistent, direct action:

--we have no international support
--we are not the world's policemen
--it would engender retaliation and continue the cycle
--it makes us as bad as the terrorists
--we don't know precisely who and where the terrorists are
--counter-terrorism does not address the "root causes"

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--we lack the resources to be effective.

Such arguments pale in the face of dictator Khaddafi's recent threat to bring terrorism to mainstreet USA. The tragic destruction of an international airline flight en route from Canada to England shows how easily it can be done. A large bomb in the U.S. Capitol only a few months ago shows just how vulnerable we are. Fidel Castro uses international narcotics trafficking as a means to finance his terror network.

Today there are as many as six million illegal aliens in the United States. Our borders and our airports are porous. As a free, open society, we are more vulnerable than most. Yet, we see the beginning of restrictions on our liberties when the White House, the U.S. Capitol, the Department of State and other key buildings resemble armed fortresses.

Unfortunately, too many policy-makers believe that all we have to do is hire more guards, build more barricades and use more metal detectors. When innocent children are struck down in airports, no one can be safe. The solution is not to convert our public places and institutions into fortresses. The solution is to counter terrorism in a concerted, direct and cohesive fashion at the international level. To do so, however, we must begin at home by developing a national policy consensus for action.

OBJECTIVES

The National Endowment for the Preservation of Liberty is undertaking production of a television program on terrorism as it exists today. Its objective is to produce resolute, firm action on the part of the U.S., leading to international agreements and cooperation. Specifically, NEPL seeks to obtain:

--a Presidential declaration of national resolve;
--a broad consensus for a new national policy;
--a Congressional resolution empowering the Administration to pursue international objectives;
--an international conference bringing together other key Western democracies;
--international agreement on joint actions; concerted sanctions; and assistance to allies suffering economic hardship because of the sanctions;
--a firm, binding multilateral treaty.

Given these objectives, NEPL's nationwide campaign is designed to educate the public on the issues and demonstrate that solutions are within reach. It will motivate leaders to act; and indicate the appropriate course of action to achieve established goals.

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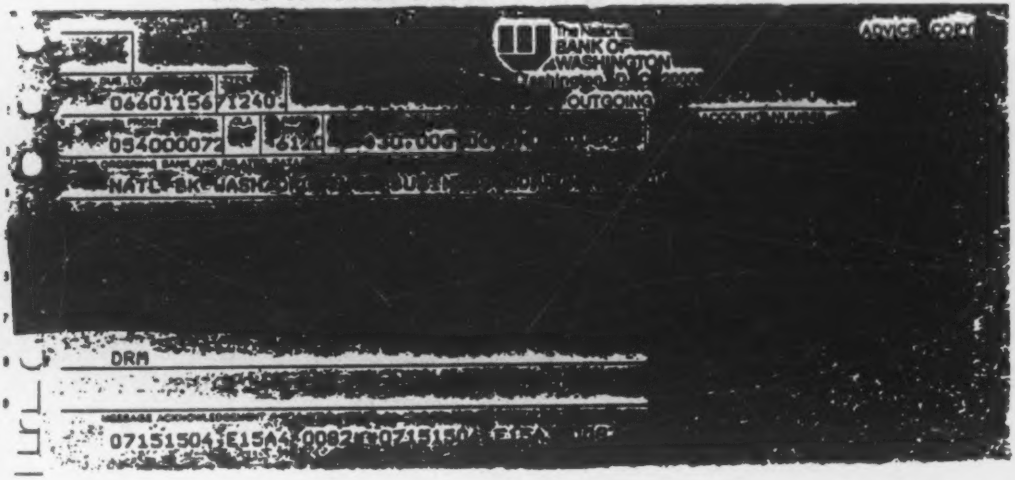

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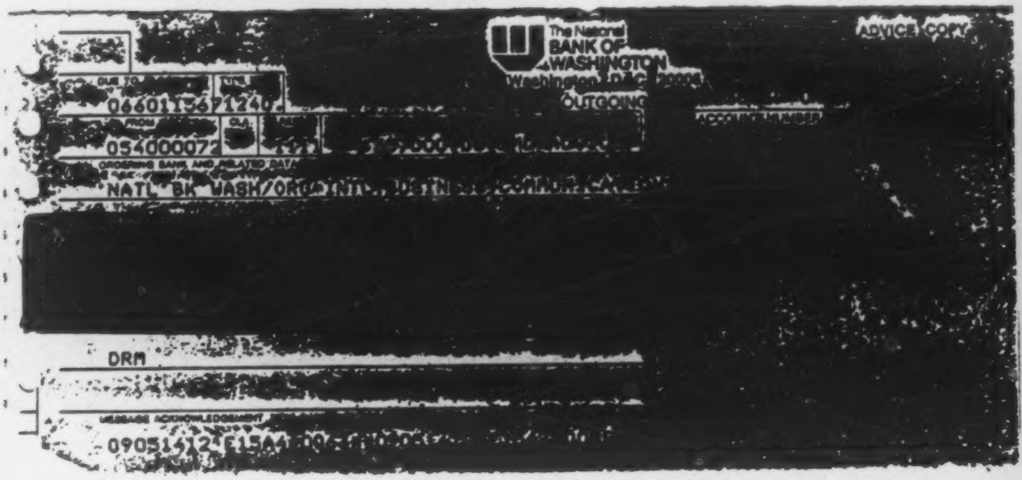

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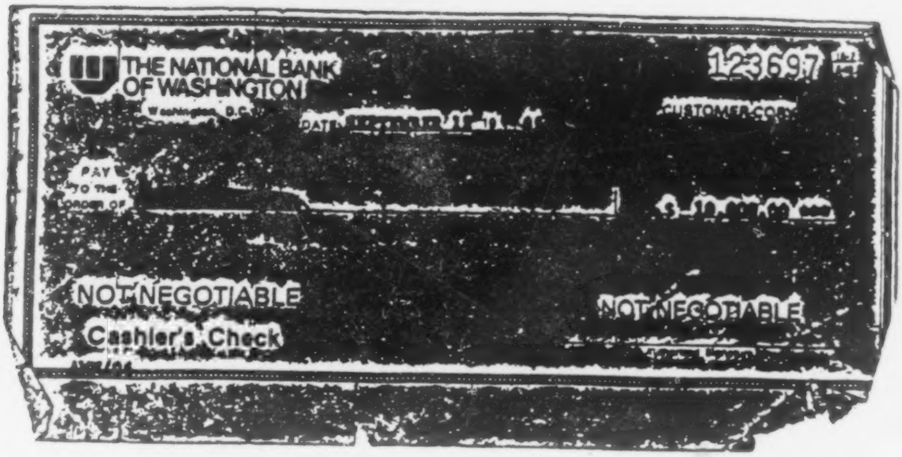

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ACCOUNT # 1230-670 TELEPHONE # (202) 387-3002

WIRE TO:

OKD

BANK Barclay's Bank P.L.C. - Grand Cayman Branch AMOUNT $100,000.00

CITY, STATE, COUNTRY Georgetown, Grand Cayman Islands

BENEFICIARY I.C. Inc.

BENEFICIARY'S ACCOUNT # 1888659

BY ORDER OF Jeffrey M. Keffer

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ACCOUNT # 1230670 TELEPHONE # (202) 387-3002

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BANK Barclays Bank PLC AMOUNT $250,000.00

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ACCOUNT # 1230670 TELEPHONE # (202) 387-3002

WIRE TO:

BANK Barclays Bank PLC AMOUNT $40,000.00

CITY, STATE, COUNTRY Georgetown, Grand Cayman Island, B.W.I.

BENEFICIARY I.C. Inc.

BENEFICIARY'S ACCOUNT # 1888659

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LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE

FOR BANK USE

ACCOUNT CREDITED

ACCOUNT DEBITED

FEE COLLECTED

DWC

ACCEPTED/CONFIRMED

BRANCH/DEPT Deposit

AUTH. SIG.

WHITE–WIRE TRANSFER DEPT.
CANARY–CUSTOMER COPY
PINK–BRANCH COPY

UNCLASSIFIED

002

GOING
NOV 08 1985

1230670

UNCLASSIFIED

R M 000079

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                              PAGE :2618
sent to :
                                          =
CHASUS33                                  =   ACK/1550/081NBWUS33AXXX20659
                                          =
chase manhattan bank, n.a.                =   100 01
new york,ny                               =
                                          =
                                          =

date: 08 nov 85   time: 15.50             customer trr    **urgent**
-------------------------------------------------------------------------
:20 /trn             : 8511080409
:32A/value           : 08 nov 1985
     currency cod    : USD
     amount          :                 40,000.00
:50 /ord customer    : INTL BUSINESS COMMUNICATIONS
:57D/a/c with bk     : BARCLAYS BANK PLC
                       GEORGETOWN GRAND CAYMAN
                       ISLAND, B.W.I.
:59 /ben customer    : /1899659
                       I.C. INC
:71A/charges         : BEN
:72 /bk to bk inf    : /CABLE/ PLS NOTIFY MR MALCOLM
                       DAVIES OF CAYHAVEN CORP SERVICES
                       LTD (809) 949-5444
```

THE NATIONAL BANK OF WASHINGTON
WE DEBIT YOUR ACCOUNT WITH THE FOLLOWING
SUBJECT TO CONDITIONS STATED BELOW

DATE	ACCOUNT NO	DESCRIPTION
11/08/85	1 230 67 0	DEBIT/OUTGOING BANKWIRE (REF:) (BSW 0659)

INTERNATIONAL BUSINESS COMMUNICATIO
1607 NEW HAMPSHIRE AVE NW STE 300
WASHINGTON DC. 20009

$40,000.00**

ALL ITEMS ARE RECEIVED SUBJECT TO THE TERMS AND CONDITIONS OF THE DEPOSITOR S AGREEMENT AS PRINTED ON THE SIGNATURE CARDS CURRENTLY USED BY THIS BANK

UNCLASSIFIED

THE NATIONAL [illegible] OF WASHINGTON

UNCLASSIFIED

095091

WIRE TRANSFER FORM

ACCOUNT NO

7/16/85

DATE 15/VII/85

TO BE COMPLETED BY CUSTOMER

NAME INTERNATIONAL BUSINESS COMMUNICATIONS

ADDRESS 1523 NEW HAMPSHIRE AVE. N.W. WASHINGTON D.C.

ACCOUNT # 1230670 TELEPHONE # (202) 387-3002

WIRE TO:

BANK CREDIT SWISS BANK, EAUX VIVES BRANCH AMOUNT $800,000.00

CITY, STATE, COUNTRY GENEVA, SWITZERLAND

BENEFICIARY LAKE RESOURCES INC.

BENEFICIARY'S ACCOUNT # 386430-22-1

BY ORDER OF

INFORMATION AND/OR SPECIAL INSTRUCTIONS TLX-22805 CS61-CH

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE

FOR BANK USE

ACCEPTED/CONFIRMED

ACCOUNT CREDITED

BRANCH/DEPT

ACCOUNT DEBITED

AUTH. SIG.

26400

FEE COLLECTED

DWC

WHITE-WIRE TRANSFER DEPT.
CANARY-CUSTOMER COPY
PINK-BRANCH COPY

FM 002

UNCLASSIFIED

WIRE TRANSFER FORM

OUTGOING

DEC 16 1985

D1230670

TELEPHONE

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                         PAGE :1574
sent to :
UBSWCHZH                                 ACK/1514/16TNBWUS33AIII21553
                                         100 01
union bank of switzerland
zurich

date: 16 dec  85 . time: 15.14              customer tfr     ***urgent***
---------------------------------------------------------------------------
:20 /trn              : 8512160791PL
:32A/value            : 16 dec  1985
    currency cod      : USD
    amount            :                 300,000.00
:50 /ord customer     : SAME
:52A/ordering bk      : TNBWUS33
                        national bank of washington, the
                        washington,d c
:57D/a/c with bk      : CREDIT SWISS BK
                        EAUX VIVES BRANCH
                        GENEVA SWITZERLAND
:59 /ben customer     : /C/ 386430 22 1
                        LAKE RESOURCES INC
:71A/charges          : BEN
:72 /bk to bk.inf     : TELX 22805 CS01 CH
-AUT/2245
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0053309

BRANCH DEPT

AUTH. SIG.

UNCLASSIFIED

THE NATIONAL BANK
OF WASHINGTON

UNCLASSIFIED

095695

WIRE TRANSFER FORM

DATE 1/16/86

TO BE COMPLETED BY CUSTOMER:

NAME INTERNATIONAL BUSINESS COMMUNICATIONS

ADDRESS 1523 NEW HAMPSHIRE AVE N.W., WASHINGTON, D.C. 20036

ACCOUNT # 1230670 TELEPHONE # (202) 387-3002

WIRE TO:

BANK BARCLAYS BANK PLC AMOUNT $360,000

CITY, STATE, COUNTRY GEORGETOWN, GRAND CAYMAN ISLANDS, B.W.I.

BENEFICIARY I. C. INC.

BENEFICIARY'S ACCOUNT # 1888659

BY ORDER OF

INFORMATION AND/OR SPECIAL INSTRUCTIONS PLEASE NOTIFY MR MALCOLM DAVIES OF CAYHAVEN CORPORATION SERVICES, LTD (809) 949-5444

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE

FOR BANK USE ACCEPTED/CONFIRMED

ACCOUNT CREDITED

BRANCH/DEPT [illegible]

ACCOUNT DEBITED 1-230-67-0

AUTH. SIG.

FEE COLLECTED $18.00

DWC

WHITE–WIRE TRANSFER DEPT.
CANARY–CUSTOMER COPY
PINK–BRANCH COPY

UNCLASSIFIED

#290
B. [illegible]

FV 002

R M 000[illegible]

THE NATIONAL BANK
OF WASHINGTON

UNCLASSIFIED

WIRE TRANSFER FORM

№ 77016

[redacted]

DATE [illegible]

TO BE COMPLETED BY CUSTOMER

NAME INTERNATIONAL BUSINESS COMMUNICATIONS

ADDRESS 1912 SUNDERLAND PLACE N.W. 3L D.C. 20036

ACCOUNT # 1-087-002 TELEPHONE # (202) 459-6550

WIRE TO:

BANK [redacted] AMOUNT $10,000.00

CITY, STATE, COUNTRY NEW YORK NEW YORK

BENEFICIARY [redacted]

BENEFICIARY'S ACCOUNT [redacted]

BY ORDER OF

INFORMATION AND/OR SPECIAL INSTRUCTIONS FED WRE AB 026002794

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE

FOR BANK USE ACCEPTED/CONFIRMED

ACCOUNT CREDITED

BRANCH/DEPT. Dupont

ACCOUNT DEBITED

AUTH. SIG.

FEE COLLECTED 8.00

DWC.

UNCLASSIFIED

WHITE–WIRE TRANSFER DEPT.
CANARY–CUSTOMER COPY
PINK–BRANCH COPY

FW 002

THE NATIONAL BANK OF WASHINGTON

UNCLASSIFIED

096012

WIRE TRANSFER FORM

R M [illegible] 84

DATE: 5/13/86

TO BE COMPLETED BY CUSTOMER:

NAME INTERNATIONAL BUSINESS COMMUNICATIONS

ADDRESS 1912 SUNDERLAND PLACE, N.W., WASHINGTON, D.C. 20036

ACCOUNT # 1-087-00-2 TELEPHONE # (202) 387-3002

WIRE TO:

BANK BARCLAY'S BANK P.L.C. AMOUNT $1,250,000.00 ONE MILLION, TWO HUNDRED & FIFTY THOUSAND

CITY, STATE, COUNTRY GEORGETOWN, GRAND CAYMAN ISLAND, B.W.I.

BENEFICIARY INTEL CO-OPERATION INC.

BENEFICIARY'S ACCOUNT # 1888659

BY OF ORDER OF

INFORMATION AND/OR SPECIAL INSTRUCTIONS PLEASE NOTIFY MR DAVID PIESING - 809/949-5444

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE Richard R. Miller

FOR BANK USE

ACCOUNT CREDITED

ACCOUNT DEBITED

FEE COLLECTED

DWC

ACCEPTED/CONFIRMED

BRANCH/DEPT [illegible] - 06

AUTH. SIG.

WHITE—WIRE TRANSFER DEPT.
CANARY—CUSTOMER COPY
PINK—BRANCH COPY

UNCLASSIFIED

FW 002

UNCLASSIFIED

THE NATIONAL BANK OF WASHINGTON
WE DEBIT YOUR ACCOUNT WITH THE FOLLOWING
SUBJECT TO CONDITIONS STATED BELOW

DATE	ACCOUNT NO	DESCRIPTION
05/13/96	1 087 00 2	DEBIT/FEDERAL RESERVE WIRE (REF:) (F 0013)

INTERNATIONAL BUSINESS COMMUNICATIO
1912 SUNDERLAND PL NW
WASHINGTON DC. 20036

$1,250,000.00**

R M 000085

ALL ITEMS ARE RECEIVED SUBJECT TO THE TERMS AND CONDITIONS OF THE DEPOSITOR S AGREEMENT AS PRINTED ON THE SIGNATURE CARDS CURRENTLY USED BY THIS BANK

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FT011U                      FT OUTGOING MSG

026002574 1040

054000072              0013 $1,250,000.00

NATL BK WASH       /ORG=INTL BUSINESS COMMUNICATIONS

BARCLAYS PLC       /CTR/IBK=BNF=INTEL CO OPERATION INC//ACCT 1000659//PLEASE

NOTIFY MR DAVID PIESING - 809/949-5444
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UNCLASSIFIED

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0513 E1Q15A2V     13 05131220 FT01 E1NBWPC
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THE NATIONAL BANK
OF WASHINGTON

UNCLASSIFIED

095699

R M 000086

WIRE TRANSFER FORM

DATE: 4/9/86

TO BE COMPLETED BY CUSTOMER:

NAME International Business Communications
ADDRESS 1912 Sunderland Place, N.W., Washington, D.C. 20036
ACCOUNT # 1087002
TELEPHONE # (202) 387-3002

WIRE TO:

BANK Barclays Bank PLC
AMOUNT $740,000.00
CITY, STATE, COUNTRY Georgetown, Grand Cayman Island, B.W.I.
BENEFICIARY I. C. Inc.
BENEFICIARY'S ACCOUNT # 1888659
BY ORDER OF
INFORMATION AND/OR SPECIAL INSTRUCTIONS Please notify Mr. Malcolm Davies of Cayhaven Corporate Services, Ltd

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE R. Miller

FOR BANK USE

ACCOUNT CREDITED
ACCOUNT DEBITED 1-087002
FEE COLLECTED 5 00
DWC

ACCEPTED/CONFIRMED
BRANCH/DEPT DUPONT - 06
AUTH. SIG.

WHITE–WIRE TRANSFER DEPT.
CANARY–CUSTOMER COPY
PINK–BRANCH COPY

UNCLASSIFIED

FW 002

1087002 ✓

UNCLASSIFIED

OUTGOING

APR 0 9 [redacted]

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sent to :
CHASUS33ITS        3629                =   ACK/1447/09TNBWUS33AXXX24293
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chase manhattan bank, n.a.             =   100 01
new york,ny                            =
(international transfer system)        =
                                       =
                                       =

date: 09 apr  86   time: 14.47              customer tfr    ***urgent***
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     currency cod     : USD
     amount           :                 740,000.00
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:52A/ordering bk      : TNBWUS33
                        national bank of washington, the
                        washington,d c

:57D/a/c with bk      : BARCLAYS BANK PLC
                        GEORGETOWN GRAND CAYMAN
                        ISLAND, B.W.I.
:59 /ben customer     : /1800659
                        I.C. INC.
:71A/charges          : BEN
:72 /bk to bk inf     : /CABLE/PLEASE NOTIFY MR. MALCOLM
                        DAVIES OF CAYHAVEN CORPORATE
                        SERVICES, LTD.
-AUT/FB49
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UNCLASSIFIED

R M 000088

THE NATIONAL BANK OF WASHINGTON
WE DEBIT YOUR ACCOUNT WITH THE FOLLOWING
SUBJECT TO CONDITIONS STATED BELOW

DATE	ACCOUNT NO	DESCRIPTION
04/09/86	1 087 00 2	DEBIT/OUTGOING BANKWIRE (REF:) (BSW 4293)

INTERNATIONAL BUSINESS COMMUNICATIO $740,000.00**
1912 SUNDERLAND PL NW
WASHINGTON DC. 20036

ALL ITEMS ARE RECEIVED SUBJECT TO THE TERMS AND CONDITIONS OF THE DEPOSITOR S AGREEMENT AS PRINTED ON THE SIGNATURE CARDS CURRENTLY USED BY THIS BANK

UNCLASSIFIED

You are familiar with our efforts in connection with the CAFP. In addition, the funds NEPL provided for humanitarian assistance have been applied to particularly worthy purposes. For example, your generosity has saved the arm of a little girl who was shot by the Sandinistas and paid for the reconstructive surgery in the United States that repaired the faces and limbs of young freedom fighters. You have also supported some of the best scholarly work by Nicaraguans and helped to support education efforts by exiles who wanted to bring their story to America.

4-163

Adolfo Calero has personally thanked you and me and has written to you thanking you for the help we provided to the Nicaraguan Development Council. Another major recipient is the Unified Nicaraguan Opposition (UNO), the political umbrella organization of the Nicaraguan Democratic Resistance. As your representative we have heard from other officials of the movement, and they have gratefully acknowledged the direct assistance we sent on to them.

IBC also distributed funds through Intel Co-operation Inc. to several organizations exempt from American taxation under section 501(c)(3) of the Internal Revenue Code. They are:

Gulf and Caribbean Foundation

Friends for the Americas

Nicaraguan Development Council

Latin American Strategic Studies Institute

Institute on Terrorism and Subnational Conflict

All of these recipients have pledged that their donations were used solely for humanitarian purposes and, given the nature of their organizations, we are confident that such is the case, since it is consistent with their programs in the region.

Some of the funds, as shown in the attached materials, were deposited to the account of Lake Resources, Inc., at Credit Swiss Bank in Geneva at the request of Lt. Col. Oliver L. North. At the present time we are unable to obtain from him any information concerning the application of those funds after deposit to the Lake Resources account. However, we were assured by him at the time that the funds were to be applied solely for humanitarian assistance.

If you have any questions about this report, we would be happy to discuss them with you.

UNCLASSIFIED

CHAPTER 5. NSC STAFF INVOLVEMENT IN CRIMINAL INVESTIGATIONS AND PROSECUTIONS

Chap 5-2 note 2

N 30038

MEMORANDUM TO FILE UNCLASSIFIED February 12, 1987

FROM: BRIAN M. BRUH

SUBJECT: Iran/Contra Matter

Partially Declassified/Released on 1/20/88
under provisions of E.O. 12356
by B. Reger, National Security Council

On Feburary 11, 1987, I went to the office of U.S. Customs Service which was previously arranged with their General Counsel, Michael Schmitz in order to interview Willian von Raab, Commissioner, U.S. Customs. Betty Anderson telephoned me earlier in the morning to say that they had scheduled a conference and she would call me when he was available to speak with me. Later in the morning I received a telephone call from Betty Anderson who told me that the Commissioner was available to speak to me. I went over to their office and there was a conference call with the Commissioner. Present were Betty Anderson, Michael Schmitz, and William Rosenblatt of U.S. Customs. I told Commissioner Von Raab both my name and the fact that I was an investigator with the President's Special Review Board. He said he would be happy to cooperate.

Von Raab said that in August 1986 he was over at the White House, in Carlton Turner's office, when Ollie North, who he had known, approached him and asked to speak to him privately. He said that he learned that North had called his office and learned that he, Von Raab, was over in Turner's office. North told him "Our guys (U.S. Customs) were giving this man Maule, or company named Maule, a hard time."

UNCLASSIFIED

4324

UNCLASSIFIED

N 36039

North said that Maule had shipped airplanes like "piper cubs" down south. He said that Maule was "a close friend of the President."

The Commissioner said that he never discussed the matter with North after that or to his recollection with anyone else in the National Security Council. He told North he would look into it. North did not tell him that the matter was a national security issue and he, Von Raab, regarded it as a typical request that he gets from a Congressman where the Congressman writes that somebody is treating his constituent unnecessarily rough. Von Raab said that sometime after the meeting with North, perhaps even a week later, (he doesn't recall that he made a special effort to contact Rosenblatt immediately), he spoke with him and told him of North's concern. He asked Rosenblatt to give North a call.

Von Raab then recalls that the next time he had a conversation with Rosenblatt was at his farm sometime later. At the Commissioner's farm he said that Rosenblatt approached him and told him that North had complained also about a customs investigation into Southern Air Transport. He further said that Rosenblatt said that North expressed a concern that the agents were "excessive in their zeal". He said that Rosenblatt had told him that the case had acquired characterstics that made him, (Rosenblatt) nervous, and that was the hostage issue. Rosenblatt had said that it was no longer just a matter involving a typical investigation or how to conduct an investigation in a proper way but it involved national security issues. Von Raab he said that their position had been to continue conducting the investigations.

UNCLASSIFIED

When asked if he ever received any other requests from anyone in the National Security Council regarding arms or weapons systems or munitions going south, Von Robb answered "yes" one other time. Von Robb said a few months before the Maule conversation he had with North he received a telephone call from Jack Singlaub whom he only knew from television. Singlaub said that U.S. Customs had stopped a helicopter from being shipped [redacted]. The helicopter had a name which U.S. Customs uses to refer to the investigation as LADY ELLEN. Von Robb said that the helicopter was named after the lady who donated the helicopter. Von Robb said that Jack Singlaub did not represent himself as a government person but rather as someone who is representing a private organization. Singlaub had recommended that Von Robb call Colonel North.

Von Robb said that Singlaub did not ask that anything improper be done, he merely inquired why the helicopter was being held up and when he found out it was due to a license he indicated that he would get such a license. He, Singlaub, recommended that the Commissioner call LtCol North in case he had any concerns. Von Robb said he called North which to the best of his recollection was the first contact he ever had with him. North indicated that the individuals involved "good guys." However they are shipping a helicopter that is not worth sending to them. The Commissioner said subsequently the paperwork, meaning the license from the State Department, was issued.

When asked if he received any other calls with regard to this helicopter the Commissioner said that he recollects that he got a call "from a Senate staffer." The staffer asked the reason why the U.S. Customs held up the helicopter. The Commissioner said that he does not remember who the Senate staffer was and said that his secretary keeps no record of his calls more than just for a day. He was no further help in trying to identify the Senate staffer and said that there was no other information with regard to weapons or munitions going to Central America.

Betty Anderson and Mike Schmitz said that they were present with the Commissioner when he was interviewed by two FBI agents from the Office of Independent Counsel and he related this story about the LADY ELLEN investigation to the FBI agents except for one detail and that is he had not said before that a Senate staffer had called him. They doubt, therefore, that such a call was made. They indicated that they thought that Commissioner Von Raab's memory may be faulty in this area.

Cl otnote 4

5-4

UNCLASSIFIED

27 Aug 2369

[redacted]

Bill Rosenblatt - Customs

- DOJ received CB's file
- Secord involved
- DOJ asked Customs to look into this
- Agent preparing to subpoena Manila records
- If this is/for a "right organization"
- 2 to 4 have already gone
- Joe Tost/ Justice
- U.S. Attorney in on this
- Need docs on who airplanes went to and what was on them
- Foreign Assets Control.

Partially Declassified/Released on 1/20/88 under provisions of E.O. 12356 by National Security Council

UNCLASSIFIED

4328

Chapter 5

5-12

UNCLASSIFIED 17 Mar 86

☐ Bill Rosenblatt
- Joe Ladna - P/W Manila
- Letter from Justice
- Talk to Commissioner next wk.
- Talked to Kuwait re relationship
- Probs w/ C-123
  - military configuration required [illegible]
- Names in document - Ledger would advise on how to handle

☐ Call Wm. Von Raab

1330

☐ Mtg w/ A.G. [illegible] [redacted]

☐ FDN Directorate re Support

☐ Do Family Support

☐ Western/Army coordinance

☐ Point [redacted] 25K

5-30 ch 5, Footnote 30

UNCLASSIFIED

J 19348

JDF:tmb
RESP13

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 85-644-Cr-ATKINS

UNITED STATES OF AMERICA,)
Plaintiff,)
v.)
JESUS GARCIA,)
Defendant.)

MAR 18 PM 3:5

MOTION FOR CONTINUANCE

The United States, by and through the undersigned Assistant United States Attorney, respectfully requests this court to continue sentencing in this cause for approximately 30 days. In support of its request, the government alleges:

1. The defendant is scheduled to be sentenced on March 18, 1986.
2. On March 17, 1986 at approximately 4:30 P.M., the United States Attorney's Office for the Southern District of Florida was requested by the Department of Justice to seek a continuance of the sentencing hearing in this cause.
3. The Government in recent days has initiated an investigation into matters which arise from this case. The Government believes that it would be in the best interest of all parties that the sentencing in this matter be postponed until the Government has had an opportunity to explore certain allegations which could possibly affect the sentence imposed on Jesus Garcia.

~~Partially Declassified~~/Released on 1/20/88
~~under provisions of E.O. 12356~~
by B. Reger, National Security Council

UNCLASSIFIED

4325

ENVELOPES NOT PROVIDED

UNCLASSIFIED

1 19349

WHEREFORE, the Government respectfully requests this court to postpone sentencing for approximately 30 days.

Respectfully submitted,

LEON B. KELLNER
UNITED STATES ATTORNEY

By: ______________________
JEFFREY D. FELDMAN
ASSISTANT UNITED STATES ATTORNEY

CERTIFICATE OF SERVICE

I hereby certify that a copy of this pleading was mailed to John Maddes, Assistant Federal Public Defender, on this 15 day of March 1986.

____
JEFFREY D. FELDMAN

UNCLASSIFIED

31 aug 86

- Mtg. w/ Dick & Rob   Q 2078
  - [redacted] protesting that A/C left [redacted] w/o permission
  - 2/3 of [redacted] went thru Calero [redacted].
  - [redacted] Rds AA-79 / [redacted] Plastic
  - Have Ralph ask [redacted] for 12 AA-79 launchers.

17:00 ~~Gen~~ Call from [redacted]
- flew over strip today
- Cessna 206
- Dirt is too loose, too soft. NOT finished
- winds very strong
- pilot was [redacted]
- wants to talk to Ralph/Engineers
- [redacted] will set-up mtg. among [redacted]
- Asst. U.S. Attorney/2 FBI + Resident Agent
  - René Corbo
  - Terrell (FLAKO)
  - CMA - Guns to [redacted]

Partially Declassified/Released under provisions of E.O. 12356 by [illegible] Security Council

4327

UNCLASSIFIED

5-51

J 20977

Chapter 5, Footnote 51

UNCLASSIFIED

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                                        AMA RECORDED MESSAGE REPORT
JOB NUMBER      001
                                                                                     PAGE NO  0001
AGENCY CODE     1500                                                                 RUN DATE 08/14/8
AGENCY NAME     JUSTICE

BUREAU CODE     1501
BUREAU NAME     UNITED STATES TRUSTEES

LOCATION        DOJ 633 CTX
BAC CODE        000

                MONTH     DAY     ORIG   ORIG     DEST   DEST   DEST    CONNECT   LENGTH   CITY
                                  FTS    FTS      AREA   NXX    EXT     TIME        OF     CODE
                                  NXX    EXT      CODE                             CALL

                 04       16      633    1858     000    350    5201    1415       0003     026
                ORIG  EXT SUBTOTAL              1 CALLS FOR      3 MINUTES
                ORIG  NXX SUBTOTAL              1 CALLS FOR      3 MINUTES
                BAC  CODE SUBTOTAL              1 CALLS FOR      3 MINUTES
                CITY CODE SUBTOTAL              1 CALLS FOR      3 MINUTES
                BUREAU    SUBTOTAL              1 CALLS FOR      3 MINUTES
```

UNCLASSIFIED

4326

~~Partially Declassified~~/Released on 1/20/88 ~~under provisions of E.O. 12356~~
by B. Reger, National Security Council

J 20978

UNCLASSIFIED

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                                            AMA RECORDED MESSAGE REPORT
JOB NUMBER      001
                                                                                                  PAGE NO  0002
                                                                                                  RUN DATE 08/14/87
AGENCY CODE     1500
AGENCY NAME     JUSTICE

BUREAU CODE     1502
BUREAU NAME     JUSTICE MNGT DIV

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH      DAY      ORIG    ORIG      DEST    DEST    DEST        CONNECT    LENGTH    CITY
                                    FTS     FTS       AREA    NXX     EXT         TIME       OF        CODE
                                    NXX     EXT       CODE                                   CALL

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                 04        02       633     1939      000     350     5454        1454       0002      026
                ORIG   EXT SUBTOTAL            1  CALLS FOR        2 MINUTES
                 04        01       633     2351      000     350     5346        1419       0013      026
                ORIG   EXT SUBTOTAL            1  CALLS FOR       13 MINUTES
                 04        30       633     3371      000     350     4289        1423       0001      026
                 04        17       633     3371      000     350     4471        1745       0003      026
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                ORIG   EXT SUBTOTAL            4  CALLS FOR        9 MINUTES
                 04        17       633     4006      000     350     5310        1417       0010      026
                ORIG   EXT SUBTOTAL            1  CALLS FOR       10 MINUTES
                 04        15       633     4444      512     350     4140        1434       0002      026
                ORIG   EXT SUBTOTAL            1  CALLS FOR        2 MINUTES
                 04        24       633     4667      000     350     4237        1520       0014      026
                ORIG   EXT SUBTOTAL            1  CALLS FOR       14 MINUTES
                 04        02       633     5351      000     350     5571        1643       0030      026
                ORIG   EXT SUBTOTAL            1  CALLS FOR       30 MINUTES
```

UNCLASSIFIED

J 20979

UNCLASSIFIED

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JOB NUMBER      001                               AMA RECORDED MESSAGE REPORT

AGENCY CODE     1500                                                                                   PAGE NO. 0003
AGENCY NAME     JUSTICE                                                                                RUN DATE 08/14/87

BUREAU CODE     1502
BUREAU NAME     JUSTICE MNGT DIV

LOCATION        GSA WASH 633

BAC CODE        000

                MONTH      DAY      ORIG     ORIG      DEST     DEST      DEST       CONNECT      LENGTH    CITY
                                    FTS      FTS       AREA     NXX       EXT        TIME           OF      CODE
                                    NXX      EXT       CODE                                       CALL

                 04        09       633      5788      000      350       4026       1259          0004      026

                ORIG  EXT SUBTOTAL                 1   CALLS FOR      4 MINUTES
                ORIG  NXX SUBTOTAL                12   CALLS FOR     96 MINUTES
                BAC  CODE SUBTOTAL                12   CALLS FOR     96 MINUTES
                CITY CODE SUBTOTAL                12   CALLS FOR     96 MINUTES
                BUREAU    SUBTOTAL                12   CALLS FOR     96 MINUTES
```

UNCLASSIFIED

J 20930

```
JOB NUMBER      001
                                        AMA RECORDED MESSAGE REPORT

AGENCY CODE     1500
AGENCY NAME     JUSTICE
                                                                                   PAGE NO  0004
BUREAU CODE     1503                                                               RUN DATE 08/14/87
BUREAU NAME     ANTITRUST DIVISION

LOCATION        DOJ 633 CTX
BAC CODE        000

                MONTH     DAY    ORIG    ORIG      DEST    DEST     DEST     CONNECT    LENGTH    CITY
                                 FTS     FTS       AREA    NXX      EXT      TIME         OF      CODE
                                 NXX     EXT       CODE                                  CALL

                 04       14     633     2064      000     350      2620     1535        0011      026
                ORIG   EXT SUBTOTAL            1   CALLS FOR       11 MINUTES
                 04       22     633     2411      212     350      4392     1657        0007      026
                ORIG   EXT SUBTOTAL            1   CALLS FOR        7 MINUTES
                 04       07     633     2900      000     350      7276     1454        0007      026
                ORIG   EXT SUBTOTAL            1   CALLS FOR        7 MINUTES
                ORIG   NXX SUBTOTAL            3   CALLS FOR       25 MINUTES
                BAC   CODE SUBTOTAL            3   CALLS FOR       25 MINUTES
                CITY  CODE SUBTOTAL            3   CALLS FOR       25 MINUTES
                BUREAU     SUBTOTAL            3   CALLS FOR       25 MINUTES
```

UNCLASSIFIED

UNCLASSIFIED

J 20981

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JOB NUMBER      001                            AMA RECORDED MESSAGE REPORT
                                                                                                    PAGE NO  0005
AGENCY CODE     1500                                                                                RUN DATE 08/14/87
AGENCY NAME     JUSTICE

BUREAU CODE     1504
BUREAU NAME     OFC OF PROF RESPN

LOCATION        DOJ 633 CTX
BAC CODE        000

                MONTH    DAY     ORIG    ORIG      DEST    DEST     DEST      CONNECT      LENGTH    CITY
                                 FTS     FTS       AREA    NXX      EXT       TIME           OF      CODE
                                 NXX     EXT       CODE                                     CALL

                 04      24      633     2237      000     350      5416      1524          0002     026
                ORIG  EXT SUBTOTAL              1  CALLS FOR        2 MINUTES
                ORIG  NXX SUBTOTAL              1  CALLS FOR        2 MINUTES
                BAC  CODE SUBTOTAL              1  CALLS FOR        2 MINUTES
                CITY CODE SUBTOTAL              1  CALLS FOR        2 MINUTES
                BUREAU    SUBTOTAL              1  CALLS FOR        2 MINUTES
```

UNCLASSIFIED

UNCLASSIFIED

J 20982

UNCLASSIFIED

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                                             AMA RECORDED MESSAGE REPORT
JOB NUMBER        001                                                                                      PAGE NO  0006
                                                                                                           RUN DATE 08/14/87
AGENCY CODE       1500
AGENCY NAME       JUSTICE

BUREAU CODE       1505
BUREAU NAME       OFC OF ATTORNEY GEN

LOCATION          DOJ 633 CTX

BAC CODE          000

                  MONTH     DAY     ORIG    ORIG     DEST    DEST    DEST    CONNECT    LENGTH   CITY
                                    FTS     FTS      AREA    NXX     EXT     TIME       OF       CODE
                                    NXX     EXT      CODE                               CALL

                   04       25      633     2869     000     350     5046    1400       0006     026
                  ORIG  EXT  SUBTOTAL            1   CALLS FOR      6 MINUTES
                  ORIG  NXX  SUBTOTAL            1   CALLS FOR      6 MINUTES
                  BAC   CODE SUBTOTAL            1   CALLS FOR      6 MINUTES
                  CITY  CODE SUBTOTAL            1   CALLS FOR      6 MINUTES
                  BUREAU     SUBTOTAL            1   CALLS FOR      6 MINUTES
```

UNCLASSIFIED

20983

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JOB NUMBER     001                          AMA RECORDED MESSAGE REPORT

AGENCY CODE    1500                                                                                     PAGE NO  0007
AGENCY NAME    JUSTICE                                                                                  RUN DATE 08/14/87

BUREAU CODE    1506
BUREAU NAME    OFC OF ASSC ATTY GEN

LOCATION       GSA WASH 633

RAC CODE       000

               MONTH      DAY     ORIG     ORIG       DEST     DEST     DEST      CONNECT     LENGTH     CITY
                                  FTS      FTS        AREA     NXX      EXT       TIME          OF       CODE
                                  NXX      EXT        CODE                                     CALL

                04        23      633      5423       000      350      5214      1324         0004      026

               ORIG  EXT  SUBTOTAL                1   CALLS FOR       4 MINUTES
                04        01      633      5427       000      350      4601      1211         0005      026

               ORIG  EXT  SUBTOTAL                1   CALLS FOR       5 MINUTES
               ORIG  NXX  SUBTOTAL                2   CALLS FOR       9 MINUTES
               RAC  CODE  SUBTOTAL                2   CALLS FOR       9 MINUTES
               CITY CODE  SUBTOTAL                2   CALLS FOR       9 MINUTES
               BUREAU     SUBTOTAL                2   CALLS FOR       9 MINUTES
```

UNCLASSIFIED

UNCLASSIFIED

J 20984

UNCLASSIFIED

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                                            AMA RECORDED MESSAGE REPORT
JOB NUMBER     001
                                                                                          PAGE NO  0008
                                                                                          RUN DATE 08/14/87
AGENCY CODE    1500
AGENCY NAME    JUSTICE

BUREAU CODE    1507
BUREAU NAME    CIVIL DIVISION

LOCATION       DOJ 633 CTX

BAC CODE       000

               MONTH    DAY     ORIG   ORIG      DEST   DEST      DEST    CONNECT   LENGTH   CITY
                                FTS    FTS       AREA   NXX       EXT     TIME      OF       CODE
                                NXX    EXT       CODE                               CALL
                                                                  5934    0957      0009     026
                04      04      633    1597      000    350
               ORIG  EXT SUBTOTAL              1 CALLS FOR      9 MINUTES
                04      04      633    3170      000    350       5486    1005      0002     026
               ORIG  EXT SUBTOTAL              1 CALLS FOR      2 MINUTES
                04      09      633    3378      000    350       5471    0926      0001     026
               ORIG  EXT SUBTOTAL              1 CALLS FOR      1 MINUTES
                04      01      633    4052      000    350       5934    1617      0013     026
               ORIG  EXT SUBTOTAL              1 CALLS FOR     13 MINUTES
               ORIG  NXX SUBTOTAL              4 CALLS FOR     25 MINUTES
               BAC  CODE SUBTOTAL              4 CALLS FOR     25 MINUTES
               CITY CODE SUBTOTAL              4 CALLS FOR     25 MINUTES
               BUREAU    SUBTOTAL              4 CALLS FOR     25 MINUTES
```

UNCLASSIFIED

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JOB NUMBER     001                              AMA RECORDED MESSAGE REPORT

AGENCY CODE    1500                                                                                          PAGE NO  0009
AGENCY NAME    JUSTICE                                                                                       RUN DATE 08/14/8

BUREAU CODE    1509
BUREAU NAME    CIVIL RIGHTS DIVISION

LOCATION       DOJ 633 CTX
BAC CODE       000
               MONTH      DAY      ORIG   ORIG      DEST   DEST    DEST        CONNECT     LENGTH   CITY
                                   FTS    FTS       AREA   NXX     EXT         TIME          OF     CODE
                                   NXX    EXT       CODE                                    CALL
                04        01       633    1857      000    350     5401        1307         0001     026
               ORIG   EXT SUBTOTAL               1  CALLS FOR    1 MINUTES
                04        29       633    3577      000    350     5215        1640         0002     026
                04        09       633    3577      000    350     5934        1025         0003     026
               ORIG   EXT SUBTOTAL               2  CALLS FOR    5 MINUTES
                04        08       633    3578      000    350     4471        1239         0010     026
                04        17       633    3578      000    350     4471        1458         0003     026
               ORIG   EXT SUBTOTAL               2  CALLS FOR   13 MINUTES
                04        02       633    3835      305    350     5346        1139         0005     026
               ORIG   EXT SUBTOTAL               1  CALLS FOR    5 MINUTES
                04        02       633    3882      305    350     5346        1033         0002     026
                04        02       633    3882      305    350     5406        1049         0004     026
               ORIG   EXT SUBTOTAL               2  CALLS FOR    6 MINUTES
                04        04       633    4069      000    350     5454        1635         0006     026
               ORIG   EXT SUBTOTAL               1  CALLS FOR    6 MINUTES
                04        11       633    4530      000    350     4371        1118         0001     026
                04        11       633    4530      000    350     4471        1015         0001     026
               ORIG   EXT SUBTOTAL               2  CALLS FOR    2 MINUTES
               ORIG   NXX SUBTOTAL              11  CALLS FOR   38 MINUTES
               BAC   CODE SUBTOTAL              11  CALLS FOR   38 MINUTES
               CITY  CODE SUBTOTAL              11  CALLS FOR   39 MINUTES
               BUREAU     SUBTOTAL              11  CALLS FOR   38 MINUTES
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UNCLASSIFIED

J 20986

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JOB NUMBER       001                              AMA RECORDED MESSAGE REPORT

                                                                                                  PAGE NO  0010
AGENCY CODE      1500                                                                             RUN DATE 08/14/8
AGENCY NAME      JUSTICE

BUREAU CODE      1510
BUREAU NAME      OFC OF LEGIS AFFRS

LOCATION         DOJ 633 CTX

BAC CODE         000

                 MONTH      DAY      ORIG     ORIG      DEST     DEST     DEST       CONNECT      LENGTH     CITY
                                     FTS      FTS       AREA     NXX      EXT        TIME           OF      CODE
                                     NXX      EXT       CODE                                      CALL

                  04        08       633      4117      000      350      4471       1208          0014      026
                  04        14       633      4117      000      350      4471       1552          0005      026
                  04        15       633      4117      000      350      5242       1234          0001      026
                 ORIG  EXT SUBTOTAL                 3   CALLS FOR        20 MINUTES
                 ORIG  NXX SUBTOTAL                 3   CALLS FOR        20 MINUTES
                 BAC  CODE SUBTOTAL                 3   CALLS FOR        20 MINUTES
                 CITY CODE SUBTOTAL                 3   CALLS FOR        20 MINUTES
                 BUREAU    SUBTOTAL                 3   CALLS FOR        20 MINUTES
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UNCLASSIFIED

UNCLASSIFIED

J 20987

UNCLASSIFIED

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JOB NUMBER      001                                AMA RECORDED MESSAGE REPORT
                                                                                                   PAGE NO. 0011
AGENCY CODE     1500                                                                               RUN DATE 08/14/7
AGENCY NAME     JUSTICE

BUREAU CODE     1511
BUREAU NAME     CRIMINAL DIVISION

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH      DAY      ORIG     ORIG        DEST     DEST      DEST        CONNECT       LENGTH      CITY
                                    FTS      FTS         AREA     NXX       EXT         TIME            OF        CODE
                                    NXX      EXT         CODE                                          CALL

                  04        10      633      1567        000      350       4614        1038          0004        026
                  04        28      633      1567        000      350       4614        1436          0001        026
                  04        23      633      1567        000      350       4614        1619          0014        026
                  04        29      633      1567        000      350       4614        1650          0006        026

                ORIG   EXT  SUBTOTAL                 4   CALLS FOR      25 MINUTES
                  04        18      633      1968        000      350       4833        1503          0001        026

                ORIG   EXT  SUBTOTAL                 1   CALLS FOR       1 MINUTES
                  04        25      633      2394        000      350       5044        1607          0002        026

                ORIG   EXT  SUBTOTAL                 1   CALLS FOR       2 MINUTES
                  04        16      633      2567        000      350       5044        1755          0002        026
                  04        17      633      2567        000      350       5044        1038          0004        026
                  04        22      633      2567        000      350       5044        1545          0002        026
                  04        23      633      2567        000      350       5044        1434          0002        026

                ORIG   EXT  SUBTOTAL                 4   CALLS FOR      10 MINUTES
                  04        10      633      2691        000      350       5044        1032          0001        026

                ORIG   EXT  SUBTOTAL                 1   CALLS FOR       1 MINUTES
                  04        15      633      2816        000      350       5044        0900          0002        026

                ORIG   EXT  SUBTOTAL                 1   CALLS FOR       2 MINUTES
                  04        29      633      3684        000      350       5457        0919          0003        026

                ORIG   EXT  SUBTOTAL                 1   CALLS FOR       3 MINUTES
```

UNCLASSIFIED

J 20988

UNCLASSIFIED

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JOB NUMBER      001                            AMA RECORDED MESSAGE REPORT

AGENCY CODE     1500                                                                                      PAGE NO  0012
AGENCY NAME     JUSTICE                                                                                   RUN DATE 08/14/87

BUREAU CODE     1511
BUREAU NAME     CRIMINAL DIVISION

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH     DAY      ORIG     ORIG        DEST    DEST      DEST      CONNECT      LENGTH    CITY
                                   FTS      FTS         AREA    NXX       EXT       TIME           OF      CODE
                                   NXX      EXT         CODE                                      CALL

                 04        11      633      3685        000     350       5045      1434          0002      026

                ORIG  EXT SUBTOTAL                  1   CALLS FOR       2 MINUTES
                 04        09      633      3686        000     350       5420      1511          0001      026

                ORIG  EXT SUBTOTAL                  1   CALLS FOR       1 MINUTES
                 04        29      633      3687        000     350       4095      1638          0013      026

                ORIG  EXT SUBTOTAL                  1   CALLS FOR      13 MINUTES
                 04        15      633      3741        000     350       5044      1739          0008      026

                ORIG  EXT SUBTOTAL                  1   CALLS FOR       9 MINUTES
                 04        23      633      3759        000     350       5044      1026          0002      026
                 04        30      633      3759        000     350       5044      1026          0002      026

                ORIG  EXT SUBTOTAL                  2   CALLS FOR       4 MINUTES
                 04        25      633      3961        000     350       5045      1028          0005      026

                ORIG  EXT SUBTOTAL                  1   CALLS FOR       8 MINUTES
                 04        16      633      4009        000     350       5044      0856          0001      026
                 04        28      633      4009        000     350       5044      1447          0002      026

                ORIG  EXT SUBTOTAL                  2   CALLS FOR       3 MINUTES
                 04        04      633      4139        000     350       2930      2111          0004      026

                ORIG  EXT SUBTOTAL                  1   CALLS FOR       4 MINUTES
                 04        08      633      4654        000     350       5432      0952          0001      026

                ORIG  EXT SUBTOTAL                  1   CALLS FOR       1 MINUTES
```

UNCLASSIFIED

J 20989

UNCLASSIFIED

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JOB NUMBER      001                      AMA RECORDED MESSAGE REPORT

                                                                                       PAGE NO  0013
AGENCY CODE     1500                                                                   RUN DATE 08/14/87
AGENCY NAME     JUSTICE

BUREAU CODE     1511
BUREAU NAME     CRIMINAL DIVISION

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH     DAY      ORIG    ORIG       DEST    DEST    DEST       CONNECT   LENGTH   CITY
                                   FTS     FTS        AREA    NXX     EXT        TIME      OF       CODE
                                   NXX     EXT        CODE                                 CALL

                  04       29      633     4655       000     350     4095       1115      0001     026
                ORIG   EXT SUBTOTAL               1   CALLS FOR         1 MINUTES
                  04       29      633     4674       000     350     5438       1518      0001     026
                ORIG   EXT SUBTOTAL               1   CALLS FOR         1 MINUTES
                  04       29      633    .4675       000     350     5441       1028      0001     026
                ORIG   EXT SUBTOTAL               1   CALLS FOR         1 MINUTES
                  04       16      633     5029       000     350     5009       0954      0001     026
                ORIG   EXT SUBTOTAL               1   CALLS FOR         1 MINUTES
                  04       11      633     5096       000     350     5044       1137      0002     026
                ORIG   EXT SUBTOTAL               1   CALLS FOR         2 MINUTES
                ORIG   NXX SUBTOTAL              29   CALLS FOR        94 MINUTES
                BAC   CODE SUBTOTAL              29   CALLS FOR        94 MINUTES
                CITY  CODE SUBTOTAL              29   CALLS FOR        94 MINUTES
                BUREAU     SUBTOTAL              29   CALLS FOR        94 MINUTES
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UNCLASSIFIED

J 20990

UNCLASSIFIED

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JOB NUMBER      001                              AMA RECORDED MESSAGE REPORT

AGENCY CODE     1500                                                                                          PAGE NO  0014
AGENCY NAME     JUSTICE                                                                                       RUN DATE 08/14/87

BUREAU CODE     1512
BURFAU NAME     OFC OF THE DEP ATY GEN

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH      DAY      ORIG     ORIG        DEST     DEST     DEST        CONNECT       LENGTH    CITY
                                    FTS      FTS         AREA     NXX      EXT         TIME          OF        CODE
                                    NXX      EXT         CODE                                        CALL

                 04        11       633      2101        000      350      5401        1748          0005      026
                ORIG  EXT SUBTOTAL                   1   CALLS FOR          5 MINUTES
                 04        04       633      3008        000      350      5457        1133          0001      026
                 04        16       633      3009        000      350      5457        1552          0005      026
                ORIG  EXT SUBTOTAL                   2   CALLS FOR          6 MINUTES
                ORIG  NXX SUBTOTAL                   3   CALLS FOR         11 MINUTES
                BAC  CODE SUBTOTAL                   3   CALLS FOR         11 MINUTES
                CITY CODE SUBTOTAL                   3   CALLS FOR         11 MINUTES
                BUREAU    SUBTOTAL                   3   CALLS FOR         11 MINUTES
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UNCLASSIFIED

J 20991

UNCLASSIFIED

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                                   AMA RECORDED MESSAGE REPORT                                          PAGE NO  0015
                                                                                                        RUN DATE 08/14/87
JOB NUMBER      001

AGENCY-CODE     1500
AGENCY NAME     JUSTICE

BUREAU CODE     1515
BUREAU NAME     IMM AND NATZN SVC

LOCATION        DOJ 633 CTX
BAC CODE        000

            MONTH    DAY    ORIG   ORIG     DEST   DEST   DEST        CONNECT   LENGTH   CITY
                            FTS    FTS      AREA   NXX    EXT         TIME      OF       CODE
                            NXX    EXT      CODE                                CALL

             04      14     633    1851     000    350    5811        2227      0002     026
             04      14     633    1851     000    350    5812        2310      0002     026
            ORIG   EXT SUBTOTAL           2 CALLS FOR              4 MINUTES
             04      03     633    1852     000    350    5499        1313      0006     026
             04      16     633    1852     000    350    5715        0858      0003     026
             04      24     633    1852     000    350    5826        2234      0005     026
            ORIG   EXT SUBTOTAL           3 CALLS FOR             14 MINUTES
             04      16     633    1915     000    350    5705        1116      0001     026
            ORIG   EXT SUBTOTAL           1 CALLS FOR              1 MINUTES
             04      03     633    1916     000    350    5105        1121      0001     026
             04      30     633    1916     000    350    5713        1319      0006     026
             04      24     633    1916     000    350    5715        1201      0010     026
             04      29     633    1916     000    350    5811        0819      0001     026
             04      29     633    1916     000    350    5826        2309      0001     026
            ORIG   EXT SUBTOTAL           5 CALLS FOR             19 MINUTES
             04      30     633    1917     000    350    5710        0906      0002     026
            ORIG   EXT SUBTOTAL           1 CALLS FOR              2 MINUTES
             04      09     633    1918     000    350    5008        1218      0001     026
             04      30     633    1918     000    350    5499        0939      0001     026
            ORIG   EXT SUBTOTAL           2 CALLS FOR              2 MINUTES
             04      09     633    1919     000    350    4867        1728      0001     026
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UNCLASSIFIED

J 20992

UNCLASSIFIED

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JOB NUMBER      001                                 AMA RECORDED MESSAGE REPORT

AGENCY CODE     1500                                                                          PAGE NO  0016
AGENCY NAME     JUSTICE                                                                       RUN DATE 08/14/87

BUREAU CODE     1515
BUREAU NAME     IMM AND NATZN SVC

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH     DAY     ORIG    ORIG       DEST    DEST     DEST     CONNECT     LENGTH    CITY
                                  FTS     FTS        AREA    NXX      EXT      TIME          OF      CODE
                                  NXX     EXT        CODE                                   CALL

                 04       14      633     1919       000     350      5713     1517         0005      026

                ORIG  EXT SUBTOTAL               2   CALLS FOR     4 MINUTES
                 04       04      633     1923       000     350      7299     1159         0006      026

                ORIG  EXT SUBTOTAL               1   CALLS FOR     6 MINUTES
                 04       02      633     2315       000     350      4179     1518         0005      026
                 04       01      633     2315       000     350      5715     1611         0001      026

                ORIG  EXT SUBTOTAL               2   CALLS FOR     6 MINUTES
                 04       16      633     2328       000     350      4531     1439         0005      026

                ORIG  EXT SUBTOTAL               1   CALLS FOR     5 MINUTES
                 04       08      633     2331       000     350      4069     1303         0001      026

                ORIG  EXT SUBTOTAL               1   CALLS FOR     1 MINUTES
                 04       10      633     2348       000     350      4386     1527         0002      026

                ORIG  EXT SUBTOTAL               1   CALLS FOR     2 MINUTES
                 04       29      633     2363       000     350      4434     1358         0005      026

                ORIG  EXT SUBTOTAL               1   CALLS FOR     5 MINUTES
                 04       25      633     2468       000     350      5013     0826         0005      026

                ORIG  EXT SUBTOTAL               1   CALLS FOR     5 MINUTES
                 04       11      633     2471       000     350      5811     1159         0001      026

                ORIG  EXT SUBTOTAL               1   CALLS FOR     1 MINUTES
```

UNCLASSIFIED

J 20993

UNCLASSIFIED

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JOB NUMBER      001                        AMA RECORDED MESSAGE REPORT

                                                                                                PAGE NO  0017
AGENCY CODE     1500                                                                            RUN DATE 08/14/87
AGENCY NAME     JUSTICE

BUREAU CODE     1515
BUREAU NAME     IMM AND NATZN SVC

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH      DAY      ORIG     ORIG      DEST     DEST      DEST     CONNECT     LENGTH     CITY
                                    FTS      FTS       AREA     NXX       EXT      TIME        OF         CODE
                                    NXX      EXT       CODE                                    CALL

                  04       03       633      2473      000      350       4529     0940        0001       026
                  04       11       633      2473      000      350       6957     1214        0001       026

                ORIG  EXT  SUBTOTAL                 2  CALLS FOR        2 MINUTES
                  04       18       633      2500      000      350       4926     1456        0004       026

                ORIG  EXT  SUBTOTAL                 1  CALLS FOR        4 MINUTES
                  04       30       633      2543      000      350       5344     1403        0015       026

                ORIG  EXT  SUBTOTAL                 1  CALLS FOR       15 MINUTES
                  04       21       633      2591      000      350       4386     1431        0006       026
                  04       16       633      2591      000      350       4897     1246        0007       026

                ORIG  EXT  SUBTOTAL                 2  CALLS FOR       13 MINUTES
                  04       01       633      2607      000      350       5811     1519        0001       026

                ORIG  EXT  SUBTOTAL                 1  CALLS FOR        1 MINUTES
                  04       30       633      2631      000      350       4399     1039        0005       026

                ORIG  EXT  SUBTOTAL                 1  CALLS FOR        5 MINUTES
                  04       15       633      2649      000      350       4787     1017        0005       026

                ORIG  EXT  SUBTOTAL                 1  CALLS FOR        5 MINUTES
                  04       01       633      2656      000      350       5476     1319        0002       026

                ORIG  EXT  SUBTOTAL                 1  CALLS FOR        2 MINUTES
                  04       15       633      2680      000      350       2664     1450        0013       026
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UNCLASSIFIED

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JOB NUMBER     001                              AMA RECORDED MESSAGE REPORT

                                                                                                      PAGE NO  0018
AGENCY CODE    1500                                                                                   RUN DATE 08/14/87
AGENCY NAME    JUSTICE

BUREAU CODE    1515
BUREAU NAME    IMM AND NATZN SVC

LOCATION       DOJ 633 CTX

SAC CODE       000

               MONTH      DAY       ORIG    ORIG        DEST    DEST      DEST       CONNECT      LENGTH    CITY
                                    FTS     FTS         AREA    NXX       EXT        TIME           OF      CODE
                                    NXX     EXT         CODE                                       CALL

                04        17        633     2690        000      350      2664        1356         0004      026

               ORIG  EXT  SUBTOTAL                   2  CALLS FOR      17 MINUTES
                04        03        633     2700        000      350      4787        1002         0016      026

               ORIG  EXT  SUBTOTAL                   1  CALLS FOR      15 MINUTES
                04        09        633     2761        000      350      4782        1432         0007      026
                04        11        633     2761        000      350      5121        0954         0007      026
                04        15        633     2761        000      350      5121        1010         0001      026
                04        22        633     2761        000      350      5121        1626         0002      026

               ORIG  EXT  SUBTOTAL                   4  CALLS FOR      17 MINUTES
                04        14        633     2818        305      350      4797        1540         0001      026

               ORIG  EXT  SUBTOTAL                   1  CALLS FOR       1 MINUTES
                04        09        633     2838        000      350      4897        1554         0010      026
                04        10        633     2838        000      350      5715        1226         0005      026
                04        15        633     2838        000      350      5715        1432         0001      026

               ORIG  EXT  SUBTOTAL                   3  CALLS FOR      15 MINUTES
                04        07        633     2895        000      350      4069        1101         0023      026
                04        07        633     2895        000      350      4592        0844         0003      026

               ORIG  EXT  SUBTOTAL                   2  CALLS FOR      25 MINUTES
                04        18        633     2896        000      350      4471        1456         0001      026

               ORIG  EXT  SUBTOTAL                   1  CALLS FOR       1 MINUTES
```

UNCLASSIFIED

J 20995

UNCLASSIFIED

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                                        ANA RECORDED MESSAGE REPORT
JOB NUMBER      001                                                                              PAGE NO 0019
                                                                                                 RUN DATE 08/14/87
AGENCY CODE     1500
AGENCY NAME     JUSTICE

BUREAU CODE     1515
BUREAU NAME     IMM AND NATZN SVC

LOCATION        DOJ 633 CTX
BAC CODE        000
                                                                                    LENGTH
                          ORIG      ORIG       DEST    DEST     DEST       CONNECT    OF      CITY
        MONTH     DAY     FTS       FTS        AREA    NXX      EXT        TIME      CALL     CODE
                          NXX       EXT        CODE
                                                                5121        0959      0002     026
         04       01      633       2907       395      350
                                           1   CALLS FOR      2 MINUTES
        ORIG  EXT SUBTOTAL                     000      350     4050        0953      0001     026
         04       08      633       2981
                                           1   CALLS FOR      1 MINUTES
        ORIG  EXT SUBTOTAL                     000      350     5826        1340      0032     026
         04       29      633       3072
                                           1   CALLS FOR     32 MINUTES
        ORIG  EXT SUBTOTAL                     000      350     6937        1701      0003     026
         04       09      633       3073
                                           1   CALLS FOR      3 MINUTES
        ORIG  EXT SUBTOTAL                     000      350     5926        1450      0002     026
         04       09      633       3074
                                           1   CALLS FOR      2 MINUTES
        ORIG  EXT SUBTOTAL                     000      350     5454        0933      0001     026
         04       09      633       3119
                                           1   CALLS FOR      1 MINUTES
        ORIG  EXT SUBTOTAL                     000      350     4601        1042      0001     026
         04       01      633       3154
                                           1   CALLS FOR      1 MINUTES
        ORIG  EXT SUBTOTAL                     000      350     4359        1525      0004     026
         04       01      633       3225
                                           1   CALLS FOR      4 MINUTES
        ORIG  EXT SUBTOTAL                     000      350     5110        1422      0001     026
         04       25      633       3240       000      350     5319        1024      0005     026
         04       25      633       3240
                                           2   CALLS FOR      6 MINUTES
        ORIG  EXT SUBTOTAL
```

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J 20996

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                                        AMA RECORDED MESSAGE REPORT
JOB NUMBER      001                                                                         PAGE NO  0020
                                                                                            RUN DATE 08/14/8
AGENCY CODE     1500
AGENCY NAME     JUSTICE

BUREAU CODE     1515
BUREAU NAME     IMM AND NATZN SVC

LOCATION        DOJ 633 CTX
BAC CODE        000

                MONTH    DAY       ORIG   ORIG      DEST   DEST   DEST       CONNECT    LENGTH   CITY
                                   FTS    FTS       AREA   NXX    EXT        TIME       OF       CODE
                                   NXX    EXT       CODE                                CALL
                 04      25        633    3241      000    350    5319       0959       0015     026
                ORIG  EXT SUBTOTAL             1    CALLS FOR     15 MINUTES
                 04      09        633    3360      000    350    2930       1157       0006     026
                ORIG  EXT SUBTOTAL             1    CALLS FOR      6 MINUTES
                 04      17        633    3406      000    350    5318       1512       0001     026
                ORIG  EXT SUBTOTAL             1    CALLS FOR      1 MINUTES
                 04      30        633    3584      000    350    4560       1537       0002     026
                ORIG  EXT SUBTOTAL             1    CALLS FOR      2 MINUTES
                 04      25        633    3669      000    350    4867       1047       0003     026
                ORIG  EXT SUBTOTAL             1    CALLS FOR      3 MINUTES
                 04      30        633    3702      000    350    4787       1440       0014     026
                ORIG  EXT SUBTOTAL             1    CALLS FOR     14 MINUTES
                 04      25        633    3722      000    350    5826       1117       0009     026
                ORIG  EXT SUBTOTAL             1    CALLS FOR      9 MINUTES
                 04      14        633    4033      000    350    2930       1612       0003     026
                 04      18        633    4033      000    350    4997       1624       0005     026
                ORIG  EXT SUBTOTAL             2    CALLS FOR      8 MINUTES
                 04      11        633    4035      000    350    2930       1611       0003     026
                 04      17        633    4035      000    350    2930       1556       0002     026
                ORIG  EXT SUBTOTAL             2    CALLS FOR      5 MINUTES
```

UNCLASSIFIED

J 20997

UNCLASSIFIED

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                                  AMA RECORDED MESSAGE REPORT                                              PAGE NO  0021
                                                                                                           RUN DATE 08/14/87
JOB NUMBER      001

AGENCY CODE     1500
AGENCY NAME     JUSTICE

BUREAU CODE     1515
BUREAU NAME     IMM AND NATZN SVC

LOCATION        DOJ 633 CTX
BAC CODE        000

       MONTH     DAY      ORIG     ORIG       DEST     DEST      DEST        CONNECT      LENGTH     CITY
                          FTS      FTS        AREA     NXX       EXT         TIME         OF         CODE
                          NXX      EXT        CODE                                        CALL

        04       24       633      4120       000      350       4530        1428         0012       026
        04       24       633      4120       000      350       4530        1451         0005       026
       ORIG EXT SUBTOTAL                   2  CALLS FOR      17  MINUTES
        04       18       633      4123       000      350       4828        1509         0002       026
       ORIG EXT SUBTOTAL                   1  CALLS FOR       2  MINUTES
        04       08       633      4181       000      350       4601        1532         0004       026
       ORIG EXT SUBTOTAL                   1  CALLS FOR       4  MINUTES
        04       04       633      4227       000      350       5707        1538         0013       026
       ORIG EXT SUBTOTAL                   1  CALLS FOR      13  MINUTES
        04       01       633      4411       000      350       5703        0925         0005       026
        04       01       633      4411       000      350       5715        1317         0001       026
       ORIG EXT SUBTOTAL                   2  CALLS FOR       6  MINUTES
        04       18       633      4499       000      350       7298        0903         0013       026
       ORIG EXT SUBTOTAL                   1  CALLS FOR      13  MINUTES
        04       30       633      5009       000      350       4828        1050         0001       026
        04       01       633      5009       000      350       5715        1324         0004       026
        04       04       633      5009       000      350       5715        0932         0007       026
       ORIG EXT SUBTOTAL                   3  CALLS FOR      12  MINUTES
        04       08       633      5014       000      350       4828        0923         0009       026
       ORIG EXT SUBTOTAL                   1  CALLS FOR       9  MINUTES
```

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J 20998

UNCLASSIFIED

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                                              AMA RECORDED MESSAGE REPORT
JOB NUMBER     001                                                                                      PAGE NO  0022
                                                                                                        RUN DATE 08/14/87
AGENCY CODE    1500
AGENCY NAME    JUSTICE

BUREAU CODE    1515
BUREAU NAME    IMM AND NATZN SVC

LOCATION       DOJ 633 CTX

BAC CODE       000

               MONTH      DAY        ORIG      ORIG        DEST     DEST      DEST      CONNECT     LENGTH     CITY
                                     FTS       FTS         AREA     NXX       EXT       TIME          OF       CODE
                                     NXX       EXT         CODE                                      CALL

                04        08         633       5311        000      350       4434      1528         0006       026

               ORIG   EXT SUBTOTAL                    1    CALLS FOR        6 MINUTES
                04        29         633       5368        000      350       4601      1414         0001       026
                04        03         633       5369        000      350       5710      1146         0006       026

               ORIG   EXT SUBTOTAL                    2    CALLS FOR        7 MINUTES
                04        04         633       5370        000      350       4360      0915         0006       026

               ORIG   EXT SUBTOTAL                    1    CALLS FOR        6 MINUTES
                04        11         633       5463        000      350       4434      1347         0007       026

               ORIG   EXT SUBTOTAL                    1    CALLS FOR        7 MINUTES
                04        02         633       5464        000      350       5318      1415         0002       026
                04        07         633       5464        000      350       6952      1054         0001       026

               ORIG   EXT SUBTOTAL                    2    CALLS FOR        3 MINUTES

               ORIG   NXX SUBTOTAL                   99    CALLS FOR      440 MINUTES

               BAC   CODE SUBTOTAL                   99    CALLS FOR      440 MINUTES

               CITY  CODE SUBTOTAL                   99    CALLS FOR      440 MINUTES

               BUREAU     SUBTOTAL                   99    CALLS FOR      440 MINUTES
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J 20999

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JOB NUMBER      001                            AMA RECORDED MESSAGE REPORT

AGENCY CODE     1500
AGENCY NAME     JUSTICE                                                                         PAGE NO  0023
                                                                                                RUN DATE 08/14/87
BUREAU CODE     1517
BUREAU NAME     LNDS NAT RES DVN

LOCATION        DOJ 633 CTX
BAC CODE        000

         MONTH      DAY      ORIG     ORIG        DEST     DEST      DEST       CONNECT     LENGTH    CITY
                             FTS      FTS         AREA     NXX       EXT        TIME          OF      CODE
                             NXX      EXT         CODE                                       CALL
          04         04      633      1197        000      350       5472       1412         0001      026
         ORIG   EXT SUBTOTAL              1  CALLS FOR           1 MINUTES
          04         18      633      1307        000      350       5486       1704         0001      026
          04         22      633      1307        000      350       5486       1419         0006      026
         ORIG   EXT SUBTOTAL              2  CALLS FOR           7 MINUTES
          04         03      633      2280        000      350       5486       1136         0003      026
         ORIG   EXT SUBTOTAL              1  CALLS FOR           3 MINUTES
          04         03      633      2757        305      350       7200       1405         0011      026
         ORIG   EXT SUBTOTAL              1  CALLS FOR          11 MINUTES
          04         23      633      3820        000      350       4019       1236         0006      026
         ORIG   EXT SUBTOTAL              1  CALLS FOR           6 MINUTES
          04         24      633      4170        000      350       4019       1411         0001      026
         ORIG   EXT SUBTOTAL              1  CALLS FOR           1 MINUTES
          04         17      633      5485        000      350       4471       1019         0005      026
         ORIG   EXT SUBTOTAL              1  CALLS FOR           5 MINUTES
          04         30      633      5795        000      350       4917       1055         0003      026
          04         30      633      5785        000      350       6824       1021         0007      026
         ORIG   EXT SUBTOTAL              2  CALLS FOR          10 MINUTES
         ORIG   NXX SUBTOTAL             10  CALLS FOR          44 MINUTES
         BAC   CODE SUBTOTAL             10  CALLS FOR          44 MINUTES
         CITY  CODE SUBTOTAL             10  CALLS FOR          44 MINUTES
         BUREAU     SUBTOTAL             10  CALLS FOR          44 MINUTES
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1 21000

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JOB NUMBER      001                                      AMA RECORDED MESSAGE REPORT
                                                                                                              PAGE NO  0024
AGENCY CODE     1500                                                                                          RUN DATE 08/14/87
AGENCY NAME     JUSTICE

BUREAU CODE     1520
BUREAU NAME     OFC OF SOLCTR GENRL

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH      DAY     ORIG     ORIG      DEST     DEST      DEST       CONNECT      LENGTH     CITY
                                   FTS      FTS       AREA     NXX       EXT        TIME           OF       CODE
                                   NXX      EXT       CODE                                        CALL

                 04        07      633      2789      000      350       4035       1113         0001       026
                 04        28      633      2789      000      350       6821       1128         0003       026
                ORIG  EXT SUBTOTAL                 2   CALLS FOR      4 MINUTES
                ORIG  NXX SUBTOTAL                 2   CALLS FOR      4 MINUTES
                BAC  CODE SUBTOTAL                 2   CALLS FOR      4 MINUTES
                CITY CODE SUBTOTAL                 2   CALLS FOR      4 MINUTES
                BUREAU    SUBTOTAL                 2   CALLS FOR      4 MINUTES
```

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JOB NUMBER     001                       AMA RECORDED MESSAGE REPORT
                                                                                          PAGE NO  0025
AGENCY CODE    1500                                                                       RUN DATE 08/14/87
AGENCY NAME    JUSTICE

BUREAU CODE    1521
BUREAU NAME    TAX DIVISION

LOCATION       DOJ 633 CTX

BAC CODE       000

MONTH       DAY      ORIG     ORIG       DEST     DEST      DEST       CONNECT     LENGTH   CITY
                     FTS      FTS        AREA     NXX       EXT        TIME          OF     CODE
                     NXX      EXT        CODE                                       CALL

  04         17      633      2270       000      350       6824       1614         0002    026
  04         25      633      2270       000      350       6824       1504         0001    026
ORIG   EXT SUBTOTAL                  2   CALLS FOR       3 MINUTES
  04         09      633      2792       000      350       5454       1331         0007    026
ORIG   EXT SUBTOTAL                  1   CALLS FOR       7 MINUTES
  04         02      633      4343       000      350       5947       1202         0002    026
ORIG   EXT SUBTOTAL                  1   CALLS FOR       2 MINUTES
  04         23      633      5125       000      350       5571       1443         0002    026
ORIG   EXT SUBTOTAL                  1   CALLS FOR       2 MINUTES
  04         22      633      5148       000      350       5401       1123         0009    026
  04         09      633      5148       000      350       6818       1141         0011    026
ORIG   EXT SUBTOTAL                  2   CALLS FOR      20 MINUTES
  04         25      633      5162       000      350       4395       1637         0003    026
  04         23      633      5162       000      350       4827       1402         0001    026
  04         02      633      5162       000      350       5049       1723         0011    026
  04         23      633      5162       000      350       5049       1554         0011    026
  04         24      633      5162       000      350       6818       1041         0004    026
ORIG   EXT SUBTOTAL                  5   CALLS FOR      30 MINUTES
  04         14      633      5183       000      350       4395       1248         0014    026
ORIG   EXT SUBTOTAL                  1   CALLS FOR      14 MINUTES
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                                          AMA RECORDED MESSAGE REPORT

JOB NUMBER     001                                                                                        PAGE NO  0026
                                                                                                          RUN DATE 08/14/87
AGENCY CODE    1500
AGENCY NAME    JUSTICE

BUREAU CODE    1521
BUREAU NAME    TAX DIVISION

LOCATION       DOJ 633 CTX

BAC CODE       000
                                                 DEST     DEST      DEST       CONNECT     LENGTH     CITY
               MONTH       DAY     ORIG    ORIG    AREA     NXX       EXT        TIME         OF      CODE
                                   FTS     FTS     CODE                                     CALL
                                   NXX     EXT
                                                   000      350       4029       1620       0010      026
                04         02      633     5191    000      350       4471       1533       0001      026
                04         02      633     5191
                                    .                2  CALLS FOR        11 MINUTES         1019       0004      026
               ORIG   EXT  SUBTOTAL                     000        350      5037
                04          17     633     5192
                                                     1  CALLS FOR         4 MINUTES
               ORIG   EXT  SUBTOTAL
                                                    16  CALLS FOR        93 MINUTES
               ORIG   NXX  SUBTOTAL
                                                    16  CALLS FOR        93 MINUTES
               BAC   CODE  SUBTOTAL
                                                    16  CALLS FOR        93 MINUTES
               CITY  CODE  SUBTOTAL
                                                    16  CALLS FOR        93 MINUTES
               BUREAU      SUBTOTAL
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UNCLASSIFIED

J 21003

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JOB NUMBER     001                              AMA RECORDED MESSAGE REPORT

AGENCY CODE    1500
AGENCY NAME    JUSTICE                                                                                  PAGE NO  0027
                                                                                                        RUN DATE 08/14/87
BUREAU CODE    1522
BUREAU NAME    OFC OF PUB AFFAIRS

LOCATION       DOJ 633 CTX

BAC CODE       000

               MONTH     DAY     ORIG     ORIG        DEST     DEST      DEST      CONNECT     LENGTH     CITY
                                 FTS      FTS         AREA     NXX       EXT       TIME          OF       CODE
                                 NXX      EXT         CODE                                      CALL

                04       23      633      1677        617      350       9747      1519         0005       026
               ORIG   EXT SUBTOTAL .              1   CALLS FOR        5 MINUTES
                04       11      633      2010        000      350       4471      1425         0007       026
                04       23      633      2010        212      350       4885      1240         0003       026
               ORIG   EXT SUBTOTAL                2   CALLS FOR       10 MINUTES
               ORIG   NXX SUBTOTAL                3   CALLS FOR       15 MINUTES
               BAC   CODE SUBTOTAL                3   CALLS FOR       15 MINUTES
               CITY  CODE SUBTOTAL                3   CALLS FOR       15 MINUTES
               BUREAU     SUBTOTAL                3   CALLS FOR       15 MINUTES
```

UNCLASSIFIED

J 21004

UNCLASSIFIED

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JOB NUMBER      001                              AMA RECORDED MESSAGE REPORT
                                                                                                          PAGE NO  0028
AGENCY CODE     1500                                                                                      RUN DATE 08/14/87
AGENCY NAME     JUSTICE

BUREAU CODE     1523
BUREAU NAME     CMPTR TECH AND TELCOM STF

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH      DAY      ORIG     ORIG      DEST     DEST      DEST     CONNECT     LENGTH    CITY
                                    FTS      FTS       AREA     NXX       EXT      TIME          OF      CODE
                                    NXX      EXT       CODE                                     CALL

                 04        17       633      1286      617      350       0538     1202         0009      026

                ORIG  EXT SUBTOTAL                 1  CALLS FOR       9 MINUTES
                 04        30       633      1675      000      350       4926     1433         0002      026

                ORIG  EXT SUBTOTAL                 1  CALLS FOR       2 MINUTES
                 04        04       633      2000      000      350       4471     1205         0001      026
                 04        05       633      2000      000      350       4471     0700         0001      026
                 04        05       633      2000      000      350       4471     0752         0001      026

                ORIG  EXT SUBTOTAL                 3  CALLS FOR       3 MINUTES
                 04        03       633      3300      000      350       4833     1211         0005      026
                 04        10       633      3300      000      350       4833     1408         0004      026
                 04        10       633      3300      000      350       4833     1756         0009      026

                ORIG  EXT SUBTOTAL                 3  CALLS FOR      18 MINUTES
                 04        30       633      3632      000      350       4560     1536         0001      026

                ORIG  EXT SUBTOTAL                 1  CALLS FOR       1 MINUTES
                 04        30       633      3660      305      350       4261     0956         0001      026

                ORIG  EXT SUBTOTAL                 1  CALLS FOR       1 MINUTES
                 04        11       633      3661      000      350       4261     1245         0001      026

                ORIG  EXT SUBTOTAL                 1  CALLS FOR       1 MINUTES
                 04        11       633      3662      000      350       5344     1250         0001      026

                ORIG  EXT SUBTOTAL                 1  CALLS FOR       1 MINUTES
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J 21005

UNCLASSIFIED

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                                        AMA RECORDED MESSAGE REPORT                                    PAGE NO  0029
                                                                                                      RUN DATE 08/14/87
JOB NUMBER     001

AGENCY CODE    1500
AGENCY NAME    JUSTICE

BUREAU CODE    1523
BUREAU NAME    CMPTR TECH AND TELCOM STF

LOCATION       DOJ 633 CTX                                                                     LENGTH     CITY
                                                                             DEST     CONNECT   OF        CODE
BAC CODE       000                                     DEST       DEST       EXT      TIME      CALL
                                 ORIG      ORIG        AREA       NXX                                     026
               MONTH     DAY     FTS       FTS         CODE                                     0002
                                 NXX       EXT                               4019     1004
                                                       000        350                           0006      026
                04        25     633       4360                              2 MINUTES
                                                    1  CALLS FOR                      0940
                                                       000        350        4019
               ORIG   EXT SUBTOTAL 633     4367
                04        07                        1  CALLS FOR             6 MINUTES
               ORIG   EXT SUBTOTAL                 14  CALLS FOR            44 MINUTES
               ORIG   NXX SUBTOTAL                 14  CALLS FOR            44 MINUTES
               BAC   CODE SUBTOTAL                 14  CALLS FOR            44 MINUTES
               CITY  CODE SUBTOTAL                 14  CALLS FOR            44 MINUTES
               BUREAU     SUBTOTAL
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UNCLASSIFIED

J 21006

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                                  AMA RECORDED MESSAGE REPORT
JOB NUMBER      001
                                                                                          PAGE NO  0030
                                                                                          RUN DATE 08/14/87
AGENCY CODE     1500
AGENCY NAME     JUSTICE

BUREAU CODE     1528
BUREAU NAME     JUST ASST,RESRCH AND STAT

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH       DAY     ORIG    ORIG     DEST    DEST     DEST      CONNECT     LENGTH    CITY
                                    FTS     FTS      AREA    NXX      EXT       TIME        OF        CODE
                                    NXX     EXT      CODE                                   CALL
                                                                                             0005      026
                 04         24      633     2131     000     350      6524      1251
                ORIG   EXT  SUBTOTAL             1   CALLS FOR        5 MINUTES
                ORIG   NXX  SUBTOTAL             1   CALLS FOR        5 MINUTES
                BAC   CODE  SUBTOTAL             1   CALLS FOR        5 MINUTES
                CITY  CODE  SUBTOTAL             1   CALLS FOR        5 MINUTES
                BUREAU      SUBTOTAL             1   CALLS FOR        5 MINUTES
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UNCLASSIFIED

J 21007

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JOB NUMBER      001                                   AMA RECORDED MESSAGE REPORT

AGENCY CODE     1500                                                                                           PAGE NO  0031
AGENCY NAME     JUSTICE                                                                                        RUN DATE 08/14/87

BUREAU CODE     1530
BUREAU NAME     INFO SYSTEMS STAFF

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH     DAY       ORIG     ORIG          DEST     DEST      DEST        CONNECT       LENGTH     CITY
                                    FTS      FTS           AREA     NXX       EXT         TIME            OF       CODE
                                    NXX      EXT           CODE                                         CALL

                 04       02        633      4537          000      350       5461        1524          0001       026

                ORIG  EXT SUBTOTAL                     1   CALLS FOR        1 MINUTES
                 04       02        633      4539          000      350       5009        1514          0003       026
                 04       10        633      4539          000      350       5008        0948          0005       026

                ORIG  EXT SUBTOTAL                     2   CALLS FOR        8 MINUTES

                ORIG  NXX SUBTOTAL                     3   CALLS FOR        9 MINUTES

                BAC  CODE SUBTOTAL                     3   CALLS FOR        9 MINUTES

                CITY CODE SUBTOTAL                     3   CALLS FOR        9 MINUTES

                BUREAU    SUBTOTAL                     3   CALLS FOR        9 MINUTES
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                                   AMA RECORDED MESSAGE REPORT                                  PAGE NO  0032
                                                                                                 RUN DATE 08/14/87
JOB NUMBER      001

AGENCY CODE     1500
AGENCY NAME     JUSTICE

BUREAU CODE     1532
BUREAU NAME     DRUG ENFORCEMENT ADMIN

LOCATION        DOJ 633 CTX
BAC CODE        000
                                                                                        LENGTH   CITY
                         ORIG     ORIG     DEST                  DEST     CONNECT       OF       CODE
                         FTS      FTS      AREA      DEST        EXT      TIME          CALL
MONTH      DAY           NXX      EXT      CODE      NXX

 04        01            633      1004     000       350         2620     1619          0001     026
 04        17            633      1004     000       350         2622     1259          0002     026
 04        25            633      1004     000       350         5310     1154          0001     026
 04        24            633      1004     000       350         6824     0836          0001     026
ORIG   EXT SUBTOTAL                     4  CALLS FOR           5 MINUTES
 04        23            633      1015     000       350         4775     1044          0004     026
 04        07            633      1015     000       350         5127     1107          0001     026
 04        17            633      1015     000       350         5127     1157          0001     026
ORIG   EXT SUBTOTAL                     3  CALLS FOR           6 MINUTES
 04        09            633      1017     000       350         4019     1401          0001     026
 04        18            633      1017     000       350         4019     1259          0001     026
 04        02            633      1017     000       350         5242     1704          0006     026
 04        21            633      1017     000       350         5401     1215          0001     026
ORIG   EXT SUBTOTAL                     4  CALLS FOR           9 MINUTES
 04        28            633      1020     000       350         4471     1519          0002     026
ORIG   EXT SUBTOTAL                     1  CALLS FOR           2 MINUTES
 04        09            633      1045     000       350         5483     1711          0014     026
ORIG   EXT SUBTOTAL                     1  CALLS FOR          14 MINUTES
 04        10            633      1081     000       350         7263     0909          0010     026
ORIG   EXT SUBTOTAL                     1  CALLS FOR          10 MINUTES
 04        18            633      1141     000       350         5934     1458          0002     026
ORIG   EXT SUBTOTAL                     1  CALLS FOR           2 MINUTES
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UNCLASSIFIED

J 21009

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UNCLASSIFIED

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                                               AMA RECORDED MESSAGE REPORT
JOB NUMBER      001                                                                                        PAGE NO  0033
                                                                                                           RUN DATE 08/14/87
AGENCY CODE     1500
AGENCY NAME     JUSTICE

BUREAU CODE     1532
BUREAU NAME     DRUG ENFORCEMENT ADMIN

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH      DAY      ORIG     ORIG        DEST     DEST      DEST      CONNECT      LENGTH     CITY
                                    FTS      FTS         AREA     NXX       EXT       TIME           OF       CODE
                                    NXX      EXT         CODE                                       CALL

                 04        25       633      1194        000      350       2620      1510         0001       026
                ORIG   EXT SUBTOTAL                  1   CALLS FOR        1 MINUTES
                 04        01       633      1195        000      350       2620      1121         0001       026
                 04        21       633      1195        000      350       2620      1245         0001       026
                 04        15       633      1195        000      350       4019      1035         0003       026
                ORIG   EXT SUBTOTAL                  3   CALLS FOR        5 MINUTES
                 04        02       633      1208        000      350       5310      1138         0002       026
                ORIG   EXT SUBTOTAL                  1   CALLS FOR        2 MINUTES
                 04        24       633      1209        000      350       5654      1541         0003       026
                ORIG   EXT SUBTOTAL                  1   CALLS FOR        3 MINUTES
                 04        29       633      1213        000      350       4019      1105         0002       026
                ORIG   EXT SUBTOTAL                  1   CALLS FOR        2 MINUTES
                 04        07       633      1271        000      350       5813      1336         0012       026
                 04        14       633      1271        000      350       5813      1125         0005       026
                ORIG   EXT SUBTOTAL                  2   CALLS FOR       17 MINUTES
                 04        23       633      1289        000      350       4773      1428         0001       026
                ORIG   EXT SUBTOTAL                  1   CALLS FOR        1 MINUTES
                 04        03       633      1301        000      350       5483      1153         0009       026
                 04        04       633      1301        000      350       7263      1449         0026       026
                ORIG   EXT SUBTOTAL                  2   CALLS FOR       35 MINUTES
```

UNCLASSIFIED

J 21010

UNCLASSIFIED

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JOB NUMBER      001                          AMA RECORDED MESSAGE REPORT
                                                                                                    PAGE NO  0034
                                                                                                    RUN DATE 08/14/87
AGENCY CODE     1500
AGENCY NAME     JUSTICE

BUREAU CODE     1532
BUREAU NAME     DRUG ENFORCEMENT ADMIN

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH     DAY    ORIG   ORIG        DEST   DEST    DEST    CONNECT    LENGTH   CITY
                                 FTS    FTS         AREA   NXX     EXT     TIME         OF     CODE
                                 NXX    EXT         CODE                               CALL

                 04       01     633    1303        000    350     5432    1424       0001     026
                ORIG  EXT SUBTOTAL             1   CALLS FOR         1 MINUTES
                 04       22     633    1315        000    350     7263    1134       0002     026
                ORIG  EXT SUBTOTAL             1   CALLS FOR         2 MINUTES
                 04       07     633    1325        000    350     7263    1548       0019     026
                ORIG  EXT SUBTOTAL             1   CALLS FOR        19 MINUTES
                 04       04     633    1341        000    350     7263    1329       0001     026
                ORIG  EXT SUBTOTAL             1   CALLS FOR         1 MINUTES
                 04       24     633    1359        000    350     5484    1454       0006     026
                ORIG  EXT SUBTOTAL             1   CALLS FOR         6 MINUTES
                 04       04     633    1370        000    350     4412    1541       0001     026
                ORIG  EXT SUBTOTAL             1   CALLS FOR         1 MINUTES
                 04       08     633    1385        000    350     2620    1415       0001     026
                 04       14     633    1385        000    350     7263    1327       0002     026
                ORIG  EXT SUBTOTAL             2   CALLS FOR         3 MINUTES
                 04       11     633    1395        000    350     5216    1023       0001     026
                ORIG  EXT SUBTOTAL             1   CALLS FOR         1 MINUTES
                 04       29     633    1445        000    350     5483    1549       0001     026
                ORIG  EXT SUBTOTAL             1   CALLS FOR         1 MINUTES
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UNCLASSIFIED

J 21011

UNCLASSIFIED

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JOB NUMBER      001                                      AMA RECORDED MESSAGE REPORT

AGENCY CODE     1500                                                                                                   PAGE NO  0035
AGENCY NAME     JUSTICE                                                                                                RUN DATE 08/14/87

BUREAU CODE     1532
BUREAU NAME     DRUG ENFORCEMENT ADMIN

LOCATION        DOJ 633 CTX

RAC CODE        000

                MONTH      DAY      ORIG    ORIG      DEST    DEST      DEST      CONNECT       LENGTH    CITY
                                    FTS     FTS       AREA    NXX       EXT       TIME            OF      CODE
                                    NXX     EXT       CODE                                       CALL

                 04        14       633     1459      000     350       7263      1617          0002      026

                ORIG   EXT SUBTOTAL              1    CALLS FOR       2 MINUTES
                 04        10       633     1463      000     350       5483      1215          0014      026

                ORIG   EXT SUBTOTAL              1    CALLS FOR      14 MINUTES
                 04        01       633     1547      000     350       2620      0935          0011      026
                 04        29       633     1547      000     350       2620      1120          0002      026
                 04        17       633     1547      000     350       4836      1448          0002      026
                 04        24       633     1547      000     350       6824      1137          0001      026
                 04        30       633     1547      000     350       7263      1440          0001      026

                ORIG   EXT SUBTOTAL              5    CALLS FOR      17 MINUTES
                 04        08       633     1557      000     350       4920      1442          0005      026

                ORIG   EXT SUBTOTAL              1    CALLS FOR       5 MINUTES
                 04        15       633     1630      000     350       2643      1517          0016      026

                ORIG   EXT SUBTOTAL              1    CALLS FOR      16 MINUTES
                 04        15       633     1848      000     350       5201      1324          0012      026

                ORIG   EXT SUBTOTAL              1    CALLS FOR      12 MINUTES
                 04        09       633     3284      000     350       4471      1105          0002      026
                 04        29       633     3284      000     350       4861      1520          0001      026
                 04        22       633     3284      000     350       5934      1651          0001      026

                ORIG   EXT SUBTOTAL              3    CALLS FOR       4 MINUTES
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UNCLASSIFIED

J 21012

UNCLASSIFIED

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JOB NUMBER      001
                                                  AMA RECORDED MESSAGE REPORT
AGENCY CODE     1500
AGENCY NAME     JUSTICE
                                                                                                  PAGE NO  0036
BUREAU CODE     1532                                                                              RUN DATE 08/14/87
BUREAU NAME     DRUG ENFORCEMENT ADMIN

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH     DAY     ORIG    ORIG      DEST    DEST     DEST     CONNECT    LENGTH    CITY
                                  FTS     FTS       AREA    NXX      EXT      TIME         OF      CODE
                                  NXX     EXT       CODE                                  CALL
                 04       29      633     5237      000     350      4825     1006        0001      026
                 04       15      633     5237      000     350      5483     0917        0002      026
                ORIG  EXT SUBTOTAL             2   CALLS FOR       3 MINUTES
                 04       22      633     5498      000     350      5318     1544        0002      026
                ORIG  EXT SUBTOTAL             1   CALLS FOR       2 MINUTES
                 04       03      633     5524      000     350      5045     1546        0003      026
                 04       24      633     5524      000     350      5420     1044        0001      026
                ORIG  EXT SUBTOTAL             2   CALLS FOR       4 MINUTES
                 04       10      633     5629      000     350      5813     1534        0006      026
                ORIG  EXT SUBTOTAL             1   CALLS FOR       6 MINUTES
                ORIG  NXX SUBTOTAL            56   CALLS FOR     234 MINUTES
                BAC  CODE SUBTOTAL            56   CALLS FOR     234 MINUTES
                CITY CODE SUBTOTAL            56   CALLS FOR     234 MINUTES
                BUREAU    SUBTOTAL            56   CALLS FOR     234 MINUTES
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J 21013

UNCLASSIFIED

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JOB NUMBER      001                                     AMA RECORDED MESSAGE REPORT

AGENCY CODE     1500
AGENCY NAME     JUSTICE

BUREAU CODE     1535                                                                                              PAGE NO  0037
BUREAU NAME     US ATTORNY                                                                                        RUN DATE 08/14/87

LOCATION        DOJ 633 CTX
BAC CODE        000

                MONTH      DAY      ORIG     ORIG       DEST     DEST      DEST        CONNECT     LENGTH    CITY
                                    FTS      FTS        AREA     NXX       EXT         TIME          OF      CODE
                                    NXX      EXT        CODE                                        CALL
                  04        29      633      1618       000      350       5447        1154         0012      026
                  04        29      633      1618       000      350       5961        1205         0003      026
                  04        29      633      1618       000      350       5961        1431         0001      026
                ORIG  EXT SUBTOTAL                3  CALLS FOR       16 MINUTES
                  04        25      633      1704       000      350       5046        1716         0002      026
                ORIG  EXT SUBTOTAL                1  CALLS FOR        2 MINUTES
                  04        24      633      2121       000      350       4471        1350         0001      026
                ORIG  EXT SUBTOTAL                1  CALLS FOR        1 MINUTES
                  04        09      633      2123       000      350       5447        0903         0001      026
                ORIG  EXT SUBTOTAL                1  CALLS FOR        1 MINUTES
                  04        17      633      3276       000      350       4467        1251         0002      026
                ORIG  EXT SUBTOTAL                1  CALLS FOR        2 MINUTES
                  04        29      633      3283       000      350       5401        1659         0016      026
                ORIG  EXT SUBTOTAL                1  CALLS FOR       16 MINUTES
                  04        14      633      3285       000      350       4243        1556         0002      026
                ORIG  EXT SUBTOTAL                1  CALLS FOR        2 MINUTES
                  04        16      633      3939       000      350       5934        1650         0022      026
                ORIG  EXT SUBTOTAL                1  CALLS FOR       22 MINUTES
                  04        09      633      3987       000      350       5418        1557         0011      026
                ORIG  EXT SUBTOTAL                1  CALLS FOR       11 MINUTES
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JOB NUMBER      001
                                              AMA RECORDED MESSAGE REPORT
AGENCY CODE     1500
AGENCY NAME     JUSTICE

BUREAU CODE     1535                                                                                     PAGE NO  0038
BUREAU NAME     US ATTORNY                                                                               RUN DATE 08/14/87

LOCATION        DOJ 633 CTX

BAC CODE        000

                MONTH      DAY      ORIG     ORIG       DEST      DEST      DEST      CONNECT      LENGTH      CITY
                                    FTS      FTS        AREA      NXX       EXT       TIME         OF          CODE
                                    NXX      EXT        CODE                                       CALL

                 04         23      633      4023       000       350       4026      1126         0004        026
                 04         17      633      4023       000       350       5403      1656         0007        026
                ORIG  EXT SUBTOTAL                  2   CALLS FOR       11 MINUTES
                 04         15      633      4105       000       350       5044      1120         0001        026
                ORIG  EXT SUBTOTAL                  1   CALLS FOR        1 MINUTES
                 04         17      633      4660       000       350       4787      1024         0024        026
                ORIG  EXT SUBTOTAL                  1   CALLS FOR       24 MINUTES
                 04         04      633      4661       000       350       4787      1240         0002        026
                 04         15      633      4661       000       350       4787      1118         0001        026
                 04         29      633      4661       000       350       5811      1020         0001        026
                ORIG  EXT SUBTOTAL                  3   CALLS FOR        4 MINUTES
                 04         22      633      4662       000       350       4787      1110         0003        026
                ORIG  EXT SUBTOTAL                  1   CALLS FOR        3 MINUTES
                 04         09      633      4723       000       350       5046      1454         0002        026
                 04         21      633      4723       000       350       6824      1520         0001        026
                ORIG  EXT SUBTOTAL                  2   CALLS FOR        3 MINUTES
                 04         03      633      4724       203       350       3191      1445         0001        026
                ORIG  EXT SUBTOTAL                  1   CALLS FOR        1 MINUTES
                 04         15      633      4838       000       350       5242      1338         0009        026
                 04         16      633      4838       000       350       5242      1628         0014        026
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                                   AMA RECORDED MESSAGE REPORT                                       PAGE NO  0039
                                                                                                     RUN DATE 08/14/87

JOB NUMBER      001

AGENCY CODE     1500
AGENCY NAME     JUSTICE

BUREAU CODE     1535
BUREAU NAME     US ATTORNY

LOCATION        DOJ 633 CTX
BAC CODE        000

                                ORIG     ORIG     DEST                 DEST       CONNECT    LENGTH    CITY
   MONTH        DAY             FTS      FTS      AREA      DEST       EXT        TIME         OF      CODE
                                NXX      EXT      CODE      NXX                               CALL

    04          18              633      4838     000       350        5242       1047       0018      026
    04          15              633      4838     000       350        5446       1337       0001      026
    04          16              633      4838     000       350        5927       1610       0008      026
  ORIG    EXT   SUBTOTAL                      5   CALLS FOR        50  MINUTES
    04          15              633      4839     000       350        5927       1109       0002      026
  ORIG    EXT   SUBTOTAL                      1   CALLS FOR         2  MINUTES
    04          04              633      4869     000       350        4425       0905       0002      026
  ORIG    EXT   SUBTOTAL                      1   CALLS FOR         2  MINUTES
    04          04              633      4903     000       350        4425       1424       0004      026
    04          22              633      4903     000       350        4425       1601       0002      026
    04          30              633      4903     000       350        4425       1520       0004      026
  ORIG    EXT   SUBTOTAL                      3   CALLS FOR        10  MINUTES
    04          09              633      4928     000       350        4917       1227       0001      026
    04          25              633      4928     000       350        5654       1410       0009      026
  ORIG    EXT   SUBTOTAL                      2   CALLS FOR        10  MINUTES
    04          02              633      4929     000       350        5215       1046       0001      026
  ORIG    EXT   SUBTOTAL                      1   CALLS FOR         1  MINUTES
    04          14              633      4967     000       350        5418       1730       0002      026
    04          14              633      4967     000       350        5419       1734       0002      026
    04          29              633      4967     000       350        6824       1550       0001      026
  ORIG    EXT   SUBTOTAL                      3   CALLS FOR         5  MINUTES
```

J 2 5

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J 21016

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JOB NUMBER      001                              AMA RECORDED MESSAGE REPORT

AGENCY CODE     1500
AGENCY NAME     JUSTICE                                                                                          PAGE NO  0040
                                                                                                                 RUN DATE 08/14/87
BUREAU CODE     1535
BUREAU NAME     US ATTORNY

LOCATION        GSA WASH 633
BAC CODE        000

                MONTH      DAY     ORIG     ORIG     DEST     DEST     DEST      CONNECT     LENGTH    CITY
                                   FTS      FTS      AREA     NXX      EXT       TIME          OF      CODE
                                   NXX      EXT      CODE                                     CALL
                 04        17      633      5563     000      350      5008      1139         0002      026
                ORIG  EXT SUBTOTAL              1    CALLS FOR       2 MINUTES
                ORIG  NXX SUBTOTAL             39    CALLS FOR     202 MINUTES
                BAC  CODE SUBTOTAL             39    CALLS FOR     202 MINUTES
                CITY CODE SUBTOTAL             39    CALLS FOR     202 MINUTES
                BUREAU    SUBTOTAL             39    CALLS FOR     202 MINUTES
                AGENCY GRAND TOTAL            303    CALLS FOR    1419 MINUTES

                                                 END  OF  REPORT
```

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Chapter 5-58

J 19449

58

man named Evangelio Fenjol told him that the plane carried many machine guns, automatic rifles, several mortars and grenades. Mr. Ortega also stated that his brother had been wounded by a grenade during a November 1985 raid on Pueblo, Nicaragua. Mr. Ortega said that his brother died a short time later.

At present, we have corroborated that Raul Ortega, Rene Corvo, and others flew to [redacted] on June 13, 1985 aboard a private cargo aircraft.[13] However, we have no independent evidence that something other than clothing was on board that flight. We may be able to obtain some information in this respect from the members of the flight crew and Fanjol. We have yet to interview these individuals.

CONCLUSION

To date, the evidence gathered does not substantiate Garcia's claim that Tom Posey and others conspired to assinate U.S. Ambassador Lewis Tambs. However, the evidence does suggest that in late 1984 and early 1985 the CMA and Rene Corvo actively recruited mercenaries in the United States. These men were later sent [redacted] to train and/or fight with anit-Sandinista contras. The evidence also suggests that in 1981, Raul Arama shipped weapons to the contras from South Florida.

---

[13] See Appendix B. In addition to proving that Corvo and Ortega were on the flight, the Customs's documents also prove that the June shipment was made with the same plane as the March shipment. Although the pilot in June was different, Daniel Vasquez Jr. co-piloted both flights. Daniel Vasquez Jr. is the son of Daniel Vasquez Sr., the man who chartered the plane for Corvo in both March and June.

Pages 19 and 20 [illegible] Declassified [illegible] on 1/20/88

[illegible] under provisions of E.O. 12356

[illegible]

(4337)

UNCLASSIFIED J 19450

However, their is insufficient proof at this time to conclude that weapons were ~~infact~~ aboard the March 6, 1985 and June 13, 1985 flights. Further investigation may prove these allegations to be correct.

The FBI has requested that we begin a grand jury investigation into the activity described in this memo. The Bureau believes that a grand jury is necessary for several reasons. First, it would dispell claims that the Department of Justice has not aggressively pursued this matter. Second, a grand jury would eliminate some of the deception they believe they have encountered during their interviews with Jesus Garcia, Daniel Vasquez Sr., Ronald Boy, and Max Vargas. Finally, the grand jury would give the Department of Justice access to Costa Gun Shop's business records and CANAC's bank records.

Or of ATF [illegible]

We have sufficient evidence to begin a grand jury investigation. I believe that a grand jury investigation would ultimately reveal criminal activity including gun running and neutrality violations. ~~However, due to the political nature of this case, I am not sure whether such violations could be successfully prosecuted in South Florida.~~

I concur that we have sufficient evidence to institute a grand jury investigation [illegible] into the activities described herein.

UNCLASSIFIED

5-69

[illegible] footnote [illegible]

[redacted]

~~TOP SECRET~~ [redacted]

chapter 5 #69; 73

N 12602

FILE: 9WP36 [redacted] WHITE HOUSE COMMUNICATIONS AGENCY

A Presidential call memo has been prepared, and after much wrangling w/ Bay, I have concurred. The problem w/ the [redacted] case is that [redacted] was the man with whom Negroponte, Gorman, Clarridge and [redacted] worked out arrangements [redacted] Only Gorman, Clarridge and I were fully aware of all that [redacted] was doing on our behalf. Subsequent to the [redacted] was assigned [redacted] and at one point last year was invited to meet w/ a group of disgruntled [redacted] who it turns out were plotting the assassination [redacted] When the FBI broke the case [redacted] was indicted for conspiracy. His legal advice was apparently to keep his mouth shut and everything wd be worked out. Although subpoenas were prepared for Gorman, Clarridge, Negroponte and North, they were never issued because [redacted] pleaded guilty (on advice of counsel). [redacted] was due to report [redacted] to start serving sentence [redacted] He apparently still believed up until yesterday that he wd be going to the minimum security facility [redacted] for a short period (days or weeks) and then walk free. [redacted] has implored [redacted] to do something and he now wants an answer [redacted] Our major concern - Gorman, North, Clarridge - is that when [redacted] finds out what is really happening to him, he will break his longstanding silence about the Nic Resistance and other sensitive operations. Gorman, Clarridge, Revell, Trott and Abrams will cabal quietly in the morning to look at options: pardon, clemency, deportation, reduced sentence. Objective is to keep [redacted] from feeling like he was lied to in legal process and start spilling the beans. Will advise.

J [redacted]

MSG FROM: NSRPL --CPUA TO: NSJMP --CPUA 09/17/86 18:44:36

To: NSJAF --CPUA

JMP 31/79

4329

Partially Declassified/[illegible] on 1/20/88
under pro[illegible] E.O. 12356
by B[illegible] Security C[illegible]

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[redacted]

~~TOP SECRET~~ [redacted]

Chapter 5-70 : 70

Memorandum

P... [illegible] 11/20/88
under pr... E.O. 12...
by B. [illegible] ...ity C...

J 4627

Subject

Requests by [redacted]
for Leniency for [redacted]

Date

SEP 30 1986

JLM:TEM:EJW:JCM:cmc

To

William F. Weld
Assistant Attorney General
Criminal Division

From

John L. Martin, Chief
Internal Security Section
Criminal Division

This memorandum is in response to your request that we determine whether any law enforcement or national security interests would be furthered by the early release, or outright pardon, of [redacted] who is scheduled to begin serving [redacted] sentence [redacted] 1986. Our discussions of this matter with Roger Yochelson of the Office of International Affairs, and Assistant United States Attorney [redacted] as well as our limited review of the file, indicate that the Government would obtain no benefits from an abbreviation of [redacted] already lenient sentence. The facts are as follows.

[redacted] were indicted [redacted] on charges [redacted] to assassinate [redacted]

[redacted]

4330

[redacted]

Our review indicates that the Government has been very lenient in this case. [redacted] was allowed to plead guilty to two counts, thereby avoiding almost certain conviction on the entire [redacted] indictment, which would have exposed him to [redacted] incarceration. In addition, the Government waived its right to seek consecutive terms, paving the way for the eventual sentence of two concurrent five-year terms. In view of the serious crimes involved, any further leniency would create a wide discrepancy between the nature of his offenses and the prescribed punishment. It should also be noted that [redacted] is not needed to testify in the prosecution of [redacted] nor does that prosecution involve classified information which [redacted] or [redacted] could threaten to disclose publicly during the trial.

In sum, no law enforcement or national security interests would be served by extending additional clemency to [redacted] To the contrary, the law enforcement equities here strongly favor [redacted] serving a sentence commensurate with his crimes. [redacted] These political and foreign policy concerns are vague, ambiguous and not clearly articulated. In the absence of a coherent statement of the foreign policy stakes, we see no reason to recommend that you overrule the United States Attorney.

5-72

Chapter 5, Footnote 72] 4617

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THIS IS A COVER SHEET

FOR

INFORMATION SUBJECT TO

Basic security requirements contained in Department of Justice Regulations (28 CFR Part 17).

The unauthorized disclosure of the information contained in the attached document(s) could reasonably be expected to cause damage to the national security.

Handling, storage, reproduction and disposition of the attached document(s) will be in accordance with policies and procedures set forth in regulations cited above.

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1/20/88

hold - [redacted]

matter

4334

CONFIDENTIAL

FORM DOJ 183
OCT 83

DRAFT

J 4618

.7293C

UNCLASSIFIED

CONFIDENTIAL

[redacted]

9/24/86 EXT. [redacted]

ARA:JHMICHEL

ARA:WGWALKER | ARA/CEN:RHMELTON
L:MKOZAK | DOJ:STROTT
FBI:OBREVELL | NSC:ONORTH/RBURGHART
P:WWOOD S/S: | S/S-O:

4/20/88

4334

IMMEDIATE [redacted]

PRIORITY [redacted]

EXDIS -- [redacted] LEGAL ATTACHE

E.O. 12356: DECL: OADR

TAGS: [redacted] PREL, PINS

SUBJECT: BACKGROUND AND STATUS OF [redacted]

REF: [redacted]

JHM
SGW
WGW
RHM

1. CONFIDENTIAL -- ENTIRE TEXT.

2. THE FOLLOWING REVIEW OF RECENT DEVELOPMENTS IN THE [redacted] IS PROVIDED FOR YOUR INFORMATION AND TO DRAW UPON IN DISCUSSIONS [redacted] AND OTHERS AS APPROPRIATE.

A) IN [redacted] TRAVELLED TO THE U.S. AND SURRENDERED TO U.S. AUTHORITIES. [redacted] WAS ARRAIGNED UNDER "MURDER FOR HIRE" STATUTES, WITH TOTAL PRISON EXPOSURE OF [redacted] HE FORMALLY WAIVED THE RIGHT TO A SPEEDY TRIAL AND WAS RELEASED ON HIS OWN RECOGNIZANCE.

B) IN [redacted] 1986, THE DEFENSE ATTORNEY INITIATED A

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CONFIDENTIAL 2

J 4619

CAMPAIGN IN WASHINGTON TO SECURE FAVORABLE TREATMENT FOR [redacted]

C} [redacted] WAS SCHEDULED TO ENTER A PLEA ON [redacted]

D} [redacted] ATTORNEY ARRANGED FOR THE [redacted] HEARING TO BE POSTPONED UNTIL [redacted] CITING THE CLEMENCY REQUEST [redacted] AND MAKING THE FALSE ALLEGATION THAT THE STATE DEPARTMENT WISHED TO INTERVIEW [redacted] BEFORE THE TRIAL. [redacted]

is the false?

E} ON [redacted] PLEADED GUILTY TO TWO CHARGES OF CONSPIRACY UNDER MURDER FOR HIRE STATUTES. SENTENCING WAS SCHEDULED [redacted] ALL INDICATIONS POINTED TO A CONTINUED DEFENSE EFFORT TO SECURE A MINIMAL SENTENCE BY DEMONSTRATING [redacted] GOOD CHARACTER AND HIS [redacted]

F} ON [redacted] WAS SENTENCED TO TWO CONCURRENT [redacted] PRISON TERMS {STATE 233400}. WE UNDERSTAND THAT THE DEFENSE MADE A CONCERTED EFFORT DURING THE HEARING TO ALLEGE SIGNIFICANT FAVORABLE USG INTEREST IN [redacted] AND IN THE CASE. [redacted] WAS SENTENCED UNDER A PROVISION OF THE LAW THAT ALLOWED HIM TO SEEK AN IMMEDIATE PAROLE. THE JUDGE RECOMMENDED THAT HE BE ALLOWED TO SERVE HIS SENTENCE AT [redacted] IN APPARENT RESPONSE TO THE DEFENSE'S FOCUS ON ALLEGED USG INTEREST IN [redacted] THE JUDGE NOTED THAT [redacted] COULD CONTINUE TO SEEK EXECUTIVE BRANCH ACTION {E.G., PARDON OR PAROLE} IF HE SO DESIRED. {THE DEFENSE HAS DEPICTED THE JUDGE'S STATEMENT AS HIS ENDORSEMENT OF EXECUTIVE BRANCH ACTION.} [redacted] WAS ORDERED TO SURRENDER TO PRISON AUTHORITIES NOT LATER THAN [redacted]

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J 4620

G} [redacted]

H} SINCE THE SENTENCING, THE DEFENSE ATTORNEY HAS ACTIVELY LOBBIED -- [redacted] IN WASHINGTON -- FOR USG INTERVENTION ON [redacted] BEHALF. OPTIONS PROPOSED BY THE DEFENSE ATTORNEY INCLUDED EXECUTIVE CLEMENCY, A FINDING OF DIPLOMATIC IMMUNITY, USG INTERVENTION TO ARRANGE IMMEDIATE PAROLE, AND FURLOUGH TO SERVE HIS TERM OUTSIDE A PRISON. TO THE BEST OF OUR KNOWLEDGE, [redacted] HAS MADE NO EFFORT TO PURSUE AVAILABLE LEGAL REMEDIES {E.G., PETITIONING THE COURT FOR A REDUCTION OF SENTENCE OR INITIATING ACTION WITH THE BUREAU OF PRISONS TO OBTAIN A PAROLE}.

J} THE BUREAU OF PRISONS INITIALLY INSTRUCTED [redacted] TO SURRENDER AT [redacted] PRESUMABLY IN VIEW OF THE SERIOUS NATURE OF HIS CRIMES. {THE BUREAU OF PRISONS IS NOT BOUND BY THE JUDGE'S RECOMMENDATION REGARDING THE DETENTION FACILITY.} [redacted] LOBBYING EFFORTS THEREAFTER FOCUSSED ON AVOIDING DETENTION IN A CONVENTIONAL PRISON.

3. STATUS:

-- THE JUDGE HAS AGREED TO DEFER UNTIL [redacted] THE DATE FOR [redacted] TO BEGIN SERVING HIS SENTENCE.

-- THE DEPARTMENT OF JUSTICE HAS AGREED TO RECOMMEND TO THE BUREAU OF PRISONS THAT [redacted] BE ALLOWED TO SERVE HIS SENTENCE AT THE MINIMUM SECURITY FACILITY [redacted]

! not serious. difference?

-- [redacted] ATTORNEY INDICATES THAT HE NOW WILL ATTEMPT TO PERSUADE THE PAROLE COMMISSION TO AGREE TO AN EARLY RELEASE {"ZERO TO TEN MONTHS"} [redacted]

4. [redacted] SUCH USG ACTION ON [redacted] BEHALF WOULD NOT BE CONSISTENT WITH OUR OPPOSITION TO INTERNATIONAL TERRORISM {E.G., THE INTENDED ASSASSINATION [redacted] AND COULD COMPLICATE STILL-PENDING PROSECUTION OF OTHER DEFENDANTS IN THIS CASE. MOREOVER, WE BELIEVE THAT U.S. CREDIBILITY WOULD BE POORLY SERVED BY ANY ACTION WHICH MIGHT SUGGEST THAT [redacted] CAN VIOLATE THE LAW WITHOUT

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FEAR OF PUNISHMENT.

5. [redacted]

2d

6. [redacted]

YY

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5-73

Chapter 5 #69; 73

TOP SECRET [redacted]

FILE: NWP36 [redacted] WHITE HOUSE COMMUNICATIONS AGENCY

N 12602

4329

UNCLASSIFIED

A Presidential call memo has been prepared, and after much wrangling w/ Bay, I have concurred. The problem w/ the [redacted] case is that [redacted] was the man with whom Negroponte, Gorman, Clarridge and I worked out arrangements [redacted] Only Gorman, Clarridge and I were fully aware of all that [redacted] was doing on our behalf. Subsequent to the [redacted] was assigned [redacted] and at one point last year was invited to meet w/ a group of disgruntled [redacted] who it turns out were plotting the assassination [redacted] When the FBI broke the case [redacted] was indicted for conspiracy. His legal advice was apparently to keep his mouth shut and everything wd be worked out. Although subpoenas were prepared for Gorman, Clarridge, Negroponte and North, they were never issued because [redacted] pleaded guilty (on advice of counsel). [redacted] was due to report [redacted] to start serving sentence [redacted] He apparently still believed up until yesterday that he wd be going to the minimum security facility [redacted] for a short period (days or weeks) and then walk free. [redacted] has implored [redacted] to do something and he now wants an answer [redacted]

Our major concern - Gorman, North, Clarridge - is that when [redacted] finds out what is really happening to him, he will break his longstanding silence about the Nic Resistance and other sensitive operations. Gorman, Clarridge, Revell, Trott and Abrams will cabal quietly in the morning to look at options: pardon, clemency, deportation, reduced sentence. Objective is to keep [redacted] from feeling like he was lied to in legal process and start spilling the beans. Will advise.

J [redacted]

MSG FROM: NSDPL --CPUA TO: NSJMP --CPUA 09/17/86 18:44:36

TO: NSJMF --CPNA

JMP 31/79

1/20/88

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TOP SECRET [redacted]

Chapter 5, Footnote 76

[redacted]

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[redacted] NSJMP --CPUA TO: NSOLN --CPUA 09/18/86 17:02:32
To: NSOLN --CPUA

Partially Declassified/Released on 23 June 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

N 12604

*** Reply to note of 09/17/86 19:28

-- ~~SECRET~~ --

NOTE FROM: JOHN POINDEXTER
Subject: [redacted]
You may advise all concerned that the President will want to be as helpful as possible to settle this matter.

[redacted]

MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA 09/17/86 19:28:55
To: NSJMP --CPUA

*** Reply to note of 09/17/86 08:15
NOTE FROM: OLIVER NORTH
Subject: [redacted]

1207

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JMP 3a/78 1⑫

[redacted]

5-76

UNCLASSIFIED

Chapter 5
Footnote 85

We need to get that April letter answered as so [redacted] can.

```
CC: NSJPF    --CPUA     RAY BURGHARDT      NSCLM    --CPUA     OLLIE NORTH
    NSAGK    --CPUA     AL KEEL            NSRBM    --CPUA     ROD MCDANIEL
    Reply to Azcona
MSG FROM: NSJMP    --CPUA        TO: NSOLN    --CPUA
To: NSOLN    --CPUA                                      09/18/86 20:23:36

*** Reply to note of 09/18/86 19:40

NOTE FROM: JOHN POINDEXTER                -- SECRET --
Subject: President A cona
No I think it is best at this stage that he not meet with any high level
officials. We do not want to appear too anxious.
     President Azcona
MSG FROM: NSOLN    --CPUA        TO: NSJMP    --CPUA
To: NSJMP    --CPUA                                      09/18/86 19:40:49

*** Reply to note of 09/18/86 17:02
```

N 12603

[redacted]

New Subject: [redacted] is on the ground at

Partially Declassified/Released on May 12, 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

~~TOP SECRET~~
TOP SECRET [redacted]

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5-85

3484 ⑭

Chapte 5-88 e 88

CLASSIFIED Charges Q 1798

1400 - Mtg w/ Rich Wilhelm re [redacted]
- Prices: [redacted]
- [redacted] should be sure to report all contacts w/ Jewell
- Called Rich today re IRS investigation into WesPenn Bank in Phila:
  Mr. Detch
  wanted Mr. Detch to know:

1700 - Mtg w/ [illegible]
- Control sensitivity
- wounded CIA officer
-

Partially Declassified / Released on 1/20/88 under provisions of E.O. 12356 by B. Reger, National Security Council

UNCLASSIFIED 4331

UNCLASSIFIED 28

Q 1858

1030 Call fm Dewey Re [redacted]

- worked for [redacted]
- nothing specific
- buys arms for [redacted]

[redacted]

- Involved w/ [redacted]

[redacted]

1530 - Calls fr Rich Miller [redacted]

- Abdullah Bin Saud Bin Fahd Bin Saad
- Jawad told Alan that Bandar is Jawad's nephew.
- Jawad was Minister w/o Portfolio Resp for Islamic Affairs.
- If Jawad is straight,

Reason Bin Saud is coming, King is ~~@~~ feels politically weaker wants Jawad to support the King

Jawad's father was King Abdul Aziz

Partially Declassified/Released on [illegible] under provisions of E.O. 12356 by B. Reger, National Security Council

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4332

12 Jan 0 1930

3333 Rich Miller

- Tinker info re hostages in Beirut

[redacted]

- Jamal will try to help w/ hostages
- Use his influence to w/ Shia
- Jamal wanted Sultan to Canadian Emb in Iran
- Tinker got visa for Jamal's brothers Prince Abdullah, when King was here
- [redacted] was in w/ Rich once.
- When in Philly wants to know friend Howard
- Dean in Philly:
  Acting Chair of Board Wm Penn Bank
  Edward M. Mazze
  [redacted]
  Dean, Temple Univ. School of Bus. Admin.
- Wants to know that Jamal is Prince of Jiddah
  Ibrahim Bin Abd Al-Aziz Bin Saud

Al-Masoudy

4333

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Declassified/Released on [illegible] under provisions of E.O. 12356 by B. [illegible], National Security Council

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CLASSIFIED AT TIME OF PUBLICATION.

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CLASSIFIED AT TIME OF PUBLICATION.

Chapter 5, Footnote 100

FD-302 (Rev. 3-10-82)

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…ased on 1/20/88 … E.O. 12356 … Security Council

FEDERAL BUREAU OF INVESTIGATION

F B 2715

4335

Date of transcription 9/12/85

RICHARD MILLER, President, International Business Communications, 1525 New Hampshire Avenue, N.W., Washington, D.C. (WDC), telephone (202) 387-3002, advised as follows:

In April, 1985, Prince EBROHIM BIN ABDUL-AZIZ BIN SAUD L-MASOUDY (hereafter the Prince), a self-claimed member of the royal Saudi family, seemingly verified by the publication "Who's Who in Saudi Arabia 1976-77," was the Vice President of the Arab National Bank, Jiddah, Saudi Arabia. Through that position the Prince told MILLER he had determined that MICHAEL ARMOUS and B.A. VAN ELDIK were arranging placement of a 2.5 billion dollar letter of credit for Saudi King FAHD at various banks, including the William Penn Bank, Philadelphia, Pennsylvania. MILLER characterized ARMOUS as a former "gas station owner" always trying to make money in the commodities market who was certainly not sophisticated enough to handle such a transaction. VAN ELDIK is allegedly the Security Chief for Philippine President FERDINAND MARCOS.

From his banking position, the Prince interceded in this transaction as it was illegal for Islamic and Saudi Arabian law for King FAHD to lend Saudi Arabian oil money at the agreed low rate of three percent and then make a fortune on the spread between three percent and the prevailing market rate when the money was reinvested. These actions ultimately placed the Prince afoul of King FAHD and directly relate to current difficulties between the Prince and the William Penn Bank, according to the Prince's account to MILLER.

During initial knowledge of the King FAHD/William Penn transaction, the Prince arranged, through ARMOUS, to meet ANDREW FARNESE, President of William Penn Bank, in Spring, 1985. The Prince maintains to MILLER that FARNESE made the initial offer for the Prince to purchase stock in the bank and the offer was so formalized that attornies for the Prince were charged with formulating an opinion on the stock purchase. They advised the Prince that the stock offer was both illegal and a bad investment. MILLER opined that it was highly improbable that the Prince would initiate such a complicated transaction as his knowledge of English is limited.

Investigation on 8/27/85 at Washington, D.C. File # WFO 29A-5504 -11

by SA JAMES R. KRAMARSIC/smt Date dictated 8/27/85

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The Prince, apparently at FARNESE's urging, did open an account at William Penn and signed over power of attorney to FARNESE. FARNESE and the Prince became close friends although FARNESE did not know the Prince was working behind the scenes to stop the proposed King FAHD investment.

By air waybill dated April 19, 1985, AL SHARIF MANSOUR ALABDALLE sent the Prince a check for $250,000 to the Prince's account at William Penn Bank. This money was owed the Prince by ALABDALLE for a commodities transaction. The Prince told MILLER about the check and that FARNESE had assured the Prince that the check was a cashiers check. Based on FARNESE's assurances, the Prince directed that the check proceeds be distributed to several persons including his attorney, GARY BAGDASARIN, the Prince's wife, MONIEREH SHOKAL, and $40,000 to FARNESE's son who allegedly has cancer. The Prince told MILLER that he has never seen this check and presumes it was endorsed and deposited by FARNESE. MILLER understands that this check cannot be located at William Penn Bank.

Shortly after William Penn Bank allegedly placed ALABDALLE's check for collection, the Prince told MILLER that King FAHD found out that the Prince had blocked FAHD's 2.5 billion dollar transaction when ALABDALLE's check at William Penn Bank. MILLER claims the Prince has a nine million dollar balance in that bank. In addition to blocking the Prince's bank account, FAHD allegedly cut off all the Prince's oil contracts and published in Saudi Arabian newspapers that the Prince had committed check forgery at the William Penn Bank.

The Prince, as the Number Two Islamic leader in Saudi Arabia, has the power to jail or even order the execution of any Saudi Arabian citizen. Based on this authority, the Prince ordered the jailing of ALABDALLE. ALABDALLE was eventually able to gain release through the intercession of FAHD when ALABDALLE went before an Islamic judge and denied forging this check.

Because the Prince no longer has access to his Saudi Arabian money and can only return to Saudi Arabia under the threat of jailing or death, MILLER has been assisting the Prince with the William Penn Bank. MILLER has correspondence between himself and the bank in this regard, including a $25,000 wire transfer receipt representing personal funds of MILLER's placed as good faith to the bank on the Prince's behalf.

During Summer, 1985, the Prince, with MILLER's assistance, has been attempting to put together a European commodities deal to earn money and pay off William Penn Bank. The Prince is supposed to return to the WDC area in early September, 1985.

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FD-302a (3-8-83)

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F B 2717

Continuation of interview of ____________ Page ______

Since the Prince's problems with William Penn Bank, the Prince has received numerous calls from KEVIN KATTKE supposedly passing on inside information KATTKE obtained from a New York FBI Agent named "COOKIE" or "COCOA." This information allegedly pertains to the fact that the FBI is ready to arrest the Prince if located. MILLER thinks KATTKE is using this information as a ruse to arrange commodity deals with the Prince. MICHAEL ARNOUS was introduced to William Penn Bank by KATTKE.

KATTKE, a self-described "soldier of fortune," is allegedly tied to a New York arms dealer named SULLIVAN. KATTKE may also be employed as an agent for King FAHD and may be the conduit between the Prince and FAHD as to the Prince's blocking of FAHD's proposed investment in U.S. banks.

ARNOLD FARNESE told MILLER that he had received three telexes concerning ALABDALLE's check from the Saudi French Bank; the first telex confirmed the legitimacy of the check and full Saudi French Bank responsibility; the second telex confirmed the check but accepted no responsibility; and the third telex sent notice the check was a fraudulent transaction.

MILLER provided the following Xeroxed items:

- pages from the 1976-77 edition of "Who's Who in Saudi Arabia" providing reference to the Prince
- genelogical chart for The House of Saud
- air waybill transferring funds from AL SHARIF MANSOUR ALABDALLE to William Penn Bank
- letter dated April 1, 1985 and telex dated April 16, 1985 allegedly pertaining to placement of funds at William Penn Bank by King FAHD
- documents pertaining to the offer to sell the Prince shares of William Penn Bank
- photo of the Prince.

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10/31/85

TO: SAC, PHILADELPHIA (29A-7374)

FROM: SAC, WASHINGTON FIELD OFFICE (29A-5504) (RUC) (C-5)

WILLIAM PENN BANK,
230 SOUTH BROAD STREET,
PHILADELPHIA, PENNSYLVANIA;
BF & E (A);
MF; FBW;
(OO:PH)

1/20/88

MOUSALREZA EBRAHIM ZADEH, aka
Et Al;
BF & E; FBW;
(OO:SC)

ReSCtel to WFO, dated 9/5/85, and WFO teletype to Bureau, dated 9/17/85.

Enclosed for Philadelphia are the original and one copy of an FD-302 regarding Washington Field Office (WFO) interview of RICHARD MILLER, on 10/23/85. Enclosed for Sacramento is one copy of an FD-302 regarding the MILLER interview.

For information of Philadelphia and Sacramento, on 10/23/85, RICHARD MILLER advised that he has current contact with MOUSALREZA EBRAHIM ZADEH, aka Ebrahim Al-Masoudy, The Prince, et al. Although MILLER has been previously advised that ZADEH is an Iranian con man, MILLER is not totally convinced that ZADEH is not actually a Saudi Arabian Prince. This is exemplified by the fact that, during the week of 10/14/85, MILLER wired $2,000 to ZADEH in Switzerland for "hotel expenses." However, MILLER stated he would completely

2-Philadelphia (Enc. 2)
2-Sacramento (29A-2251) (Enc. 1)
①-WFO

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Indexed
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cooperate with the FBI to attempt to lure ZADEH to the U.S., if a warrant were obtained for ZADEH's arrest.

Inasmuch as no investigation remains at WFO, this case is being placed in an RUC status.

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FD-302 (REV. 3-10-82)

UNCLASSIFIED F B 2720

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 10/31/85

RICHARD MILLER, President, INTERNATIONAL BUSINESS COMMUNICATIONS, 1525 New Hampshire Avenue, N.W., Washington, D.C. (WDC), telephone number 387-3002, advised as follows:

MONIEREH SHOKRI-M, Sacramento, California, is the wife of EBRAHIM AL-MASOUDY, who MILLER believes is a Prince of the Saudi Arabian Royal Family. MILLER and AL-MASOUDY are involved in several personal and business deals, including allegations that AL-MASOUDY passed a fraudulent $250,000 check at William Penn Bank, Philadelphia, Pennsylvania. MILLER has made contact with officials at William Penn Bank to arrange a pay out on the bad check, which AL-MASOUDY claims was a result of circumstances beyond his responsibility. AL-MASOUDY claims to be a multi-millionaire, but whose funds are blocked in Saudi Arabia due to religious and other difficulties.

Because AL-MASOUDY allegedly does not have access to his money, AL-MASOUDY requested MILLER wire $7,000 to SHOKRI-M for household expenses. MILLER complied and wired personal funds to SHOKRI-M, on July 30, 1985, from the National Bank of Washington, WDC. In addition, DAVID WILLIAMS, a childhood friend and financial partner of MILLER's, wired $11,000 to SHOKRI-M, on August 8, 1985, at MILLER's request and for the same purpose.

MILLER acknowledged information available to him to indicate AL-MASOUDY was a fraud, but MILLER has some confidence in AL-MASOUDY, to the extent that MILLER wired AL-MASOUDY, in Switzerland, $2,000 during the week of October 14, 1985, at the request of AL-MASOUDY. AL-MASOUDY said he needed the money for hotel expenses to continue working on ongoing projects between himself and MILLER.

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Investigation on 10/23/85 at Washington, D.C. File # WFO 29A-5504

by SA JAMES R. KRAMARSIC:pag Date dictated 10/23/85

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Chapter 5, 5-108 8

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FORMS.TEXT HAS 1 DOCUMENT

INBOX.5 (#7111)

RECEIVED

TEXT:
VZCZCWFO013

~~DE-195~~

RR HQ

DE WF 0013 1361744

2903

ZNY SSSSS

F B

R 161739Z MAY 86

FM: SAC, WASHINGTON FIELD OFFICE [redacted] (P) (CI-9)

TO: DIRECTOR, FBI ROUTINE

ATTN: INTD

BT

~~SECRET~~

~~PUFIJI~~; FCI-NU; OO:WFO

ALL PORTIONS OF THIS COMMUNICATION IS CLASSIFIED "SECRET."

REFERENCE CONFERENCE BETWEEN WFO AGENTS AND DEPUTY ASSISTANT DIRECTOR PARKER AND UNIT CHIEF EGBERS ON MAY 9 AND MAY 12, 1986. THESE CONFERENCES CONCERN THE POSSIBILITY OF AN ACTIVE MEASURES PROGRAM BEING DIRECTED AGAINST LIEUTENANT COLONEL OLIVER NORTH.

DE-195 [redacted]

NORTH WAS CONTACTED BY WFO AGENTS ON 5/9/86 CONCERNING COMMENTS HE HAD MADE TO ASSISTANT DIRECTOR REVELL. DURING THIS CONTACT NORTH PROVIDED BACKGROUND INFORMATION AND THE DATES OF INCIDENTS DIRECTED AGAINST HIMSELF WHICH HAD TAKEN

JUL 17

1/20/88 Not rec. handled by telcall

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PAGE TWO DE WF 00013

PLACE PRIOR TO CONTRA AID VOTES ON CAPITOL HILL.

IN DETERMINING THE CORRELATION OF THESE INCIDENTS, WHO HAS TO DATE CONTACTED CONGRESSIONAL AFFAIRS FBIHQ (GARY BELAIR) FOR DATA ON CONTRA AID VOTES WHICH HAVE TAKEN PLACE ON CAPITOL HILL SINCE JULY, 1985. WFO ALSO RECONTACTED NORTH, 14 MAY 86, FOR THE LICENSE NUMBERS OF THE RENTAL CARS WHICH NORTH STATES WERE USED ON A SURVEILLANCE OF HIS ACTIVITIES DURING LATE APRIL, 1986. NORTH DID NOT HAVE THESE LICENSE NUMBERS AT THE TIME OF THE INTERVIEW ON 5/9/86. WFO HAS ALSO CONTACTED FAIRFAX CRIMINAL INVESTIGATIVE DIVISION (CID) OFFICER LARRY OLIFF, WHO DEBRIEFED THE NORTH FAMILY AFTER THE ABU NIDAL THREAT WHICH WAS REPORTED BY CBS NEWS IN THE RECENT PAST. OLIFF STATED THAT NO FORMAL REPORT WAS MADE BY HIS OFFICE. WFO HAS ALSO CROSS CHECKED THE CONTACTS OF [redacted] THROUGH IIS WITH THE NAMES OF INDIVIDUALS PROVIDED BY NORTH. WFO HAS HAD NO POSITIVE RESULTS CONCERNING THESE CROSS CHECKS TO DATE.

F B 2984

WFO ANTICIPATES CONDUCTING A CORRELATION OF INFORMATION PROIVED BY NROTH WITH THE DATES OF CONTRA VOTES PROVIDED BY CONGRESSIONAL AFFAIRS OFFICE FBIHQ.

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PAGE THREE DE WF #0013 SECRET

WFO WILL CONTACT AT THAT TIME CIA ANAYLST [redacted] CIA LANGLEY TO DETERMINE IF THE CIA CAN PROVIDE ADDITIONAL INFORMATION OR CORRELATION CONCERNING THE INCIDENTS INVOLVING NORTH AND AND THE CONTR AID VOTE DATES.

WFO WILL CONTINUE TO CHECK NAMES OF INDIVIDUALS INVOLVED AGAINST [redacted] CONTACTS. WFO WILL ALSO CONTACT MIAMI DIVISION FOR BACKGROUND INFORMATION ON JACK TERRELL, AKA COLONEL FLACO (CIVIL MILITARY ASSISTANCE) (CMA) ORGANIZATION. F B

2985

REQUEST OF THE BUREAU.

FBIHQ IS REQUESTED TO APPROVE USE OF CODE-NAME RUFIJI. WFO INDICES NEGATIVE.

THROUGH PUBLIC AFFAIRS OFFICE FBIHQ REQUEST BACKGROUND INFORMATION ON DAVID HALEVY, A REPORTER FOR TIME MAGAZINE.

THROUGH CONGRESSIONAL AFFAIRS OFFICE REQUEST INFORMATION ON SENATORS KERRY, HAMILTON, AND DURENBERGER, CONCERNING COMMITTEES THEY EITHER SIT ON OR HEAD, REGARDING ANY ASSOCIATION THEY MAY HAVE WITH THE CONTRA AID VOTE.

REQUEST FBIHQ CHECK INDICES AND THROUGH CIA CONDUCT A NAME TRACE ON DANIEL SHEEHAN, OF THE CRISTIC INSTITUTE, WASHINGTON, D.C.

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PAGE FOUR DE WF #0013 SECRET

WFO WILL KEEP FBIHQ APPRISED OF ANY ACTION TAKEN BY WFO CONCERNING THIS CASE.

C BY: 2327; DECL ON: OADR

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Chapter 5 5-109+110 C9.11

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TELETYPE (Hand carry) 6/11/86

FROM SAC, WASHINGTON FIELD OFFICE [redacted] (C) (CI-9)

TO DIRECTOR, FBI ROUTINE

ATTN: INTELLIGENCE DIVISION, SSA LARRY CORDELL

BT

~~SECRET~~

F B 297

NICARAGUAN ACTIVE MEASURES PROGRAM DIRECTED AGAINST LIEUTENANT COLONEL OLIVER NORTH/NATIONAL SECURITY COUNCIL; OO:WFO

ALL MARKINGS, NOTATIONS AND ITEMS OF INFORMATION CONTAINED IN THIS COMMUNICATION ARE CLASSIFIED "SECRET" UNLESS OTHERWISE NOTED.

RE WFOTEL TO FBIHQ, DATED 5/26/86, CAPTIONED "RUFIJI; PCI-NU; OO:WFO".

WFO HAS REVIEWED THE STATUS OF CAPTIONED INVESTIGATION AS WELL AS ANALIZED THE INFORMATION PROVIDED BY LIEUTENANT COLONEL NORTH AND HAS SUBSEQUENTLY CORRELATED THE INFORMATION

(17)

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2 ~~2~~-WFO
③-Bureau

REA:cjc
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[redacted]

Partially Declassified/Released on 4/20/88
under provisions of E.O. 12356
National Security Council

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AGAINST SPECIFIC CONTRA VOTE DATES PROVIDED BY FBIHQ CONGRESSIONAL LIAISON. THROUGH WFO'S INVESTIGATION, IT HAS BEEN DETERMINED THAT THERE IS A DEFINITE ASSOCIATION BETWEEN THE DATES OF THE CONGRESSIONAL VOTES ON CONTRA AIDE TO THE NICARAGUAN REBELS AND THE "ACTIVE MEASURES" BEING DIRECTED AGAINST LIEUTENANT COLONEL NORTH. IN ADDITION TO THE ABOVE, WFO HAS OBTAINED A COPY OF A CIVIL COMPLAINT TAKEN IN THE SOUTHERN DISTRICT OF FLORIDA FILED ON MAY 29, 1986 AND ON REVIEW HAS DETERMINED THAT THE CIVIL COMPLAINT MAY BE YET ANOTHER ACTIVE MEASURES PROGRAM PRIOR TO THE JUNE 19, 1986 CONTRA AIDE VOTE. AS IN THE PAST, THE ACTIVE MEASURES CIVIL SUIT IS DIRECTED AT NORTH, AND SPECIFIC CHARGES IN THE CIVIL COMPLAINT MAY BE DROPPED IF THE CONTRA VOTE FAILS IN THE U.S. CONGRESS. THE CIVIL COMPLAINT NAMES NUMEROUS INDIVIDUALS WHICH ARE PRESENTLY AIDING THE CONTRA EFFORT UNDER COLONEL NORTH'S DIRECTION. THE PURPOSE OF THE CIVIL COMPLAINT MAY BE TO DISCLOSE THE IDENTITY AND METHODS, THROUGH THE USE OF THE U.S. COURT SYSTEM, OF PERSONS IN SUPPORT OF THE CONTRA VOTE. THE ABOVE INFORMATION WITH

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F B 2979

RESPECT TO THE CIVIL SUIT IS AN OBSERVATION.

ON JUNE 3, 1986, WFO MET WITH COLONEL NORTH IN ORDER TO OBTAIN ADDITIONAL INFORMATION WHICH MAY ASSIST IN ADDING MORE INFORMATION OF INVESTIGATIVE VALUE TO REFERENCED COMMUNICATION. AT THIS MEETING NORTH EXPRESSED GREAT CONCERN THAT INFORMATION HE HAD PREVIOUSLY PROVIDED HAD NOT BEEN ACTED UPON BY WFO. IT SHOULD BE POINTED OUT THAT WFO HAD NO SPECIFIC INSTRUCTIONS OTHER THEN THOSE INSTRUCTIONS RECEIVED BY SA DAVID BEISNER IN A MEETING WITH DEPUTY ASSISTANT DIRECTOR PHIL PARKER AND UNIT CHIEF JIM EGBERS. IN THE ABOVE MEETING, WFO WAS TO TAKE NO SPECIFIC INVESTIGATIVE STEPS INTO ALLEGATIONS OF ACTIVE MEASURES DIRECTED AGAINST NORTH.

NORTH EXPRESSED SPECIFIC CONCERN AS TO WHY NO ACTION HAS BEEN TAKEN REGARDING THE FOLLOWING:

1. NO INTERVIEW OF [redacted] CENTRAL INTELLIGENCE AGENCY (CIA), IN ORDER TO OBTAIN ANALYTICAL ASSISTANCE AND INFORMATION CONCERNING ACTIVE MEASURES CAMPAIGN.

2. LACK OF CONTACT WITH NATIONAL SECURITY OFFICER FRED COLCON FOR ANY INFORMATION CONCERNING DRUG CHARGES

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PAGE FOUR DE WF 0028 S E C

LEVELED AGAINST NORTH.

F B 2980

3. NO INTERVIEW OF DANIEL SHEEHAN OF THE CHRISTIE INSTITUTE CONCERNING THE SOURCE OF ALLEGATIONS HE PROVIDED AGAINST NORTH.

4. NO CONTACT OR INTERVIEW WITH LEONARD DOWNING OF THE WASHINGTON POST CONCERNING THREATENING TELEPHONE CALLS HE ALLEGEDLY RECEIVED FROM LIEUTENANT COLONEL NORTH.

5. NO REVIEW OF ANY CHARGES PLACED BY SENATOR KERRY AGAINST NORTH, NOR ANY ATTEMPT TO OBTAIN THE INFORMATION PRESENTLY AT THE DEPARTMENT OF JUSTICE (DOJ) INVOLVING SENATOR KERRY'S ALLEGATIONS.

6. NO INTERVIEW OR CONTACT OF SENATOR DURENBERGER AND HAMILTON CONCERNING THE SOURCE OF CHARGES THEY BROUGHT AGAINST COLONEL NORTH IN AUGUST, 1985.

7. NO INVESTIGATION BEING CONDUCTED WITH THE METROPOLITAN POLICE DEPARTMENT (MPD) IN ORDER TO CHECK THE NUMBER OF VANDALISM INCIDENCES ON THE ELLIPSE IN WASHINGTON, D.C. DURING AUGUST AND SEPTEMBER, 1985, WHEREIN NORTH'S PERSONAL VEHICLE WAS VANDALIZED. NO EFFORT HAS BEEN

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MADE TO DETERMINE IF NORTH'S VEHICLE WAS THE SOLE TARGET OF ANY VANDALS DURING THAT PERIOD. F B 2981

AT THE SAME MEETING, NORTH EXPRESSED FURTHER CONCERN THAT HE MAY BE TARGETED FOR ELIMINATION BY ORGANIZED CRIME DUE TO HIS ALLEGED INVOLVEMENT IN DRUG RUNNING IN VIEW OF THE MURDER ON FEBRUARY 17, 1986 OF A DRUG ENFORCEMENT ADMINISTRATION (DEA) AGENT STEELE, ON THE DATE PRIOR TO STEELE'S TESTIFYING AGAINST THE SANDINISTA DRUG INVOLVEMENT.

BASED ON THE ABOVE, AND THE RESTRAINTS PLACED ON WFO WITH RESPECT TO ANY FURTHER INVESTIGATION, WFO IS PLACING THIS MATTER IN A CLOSED STATUS FOR THE FOLLOWING REASONS:

ALTHOUGH THE ALLEGATIONS MADE BY LIEUTENANT COLONEL NORTH MAY BE THE RESULT OF AN ACTIVE MEASURES PROGRAM DIRECTED PRIMARILY AGAINST THE REAGAN ADMINISTRATION'S EFFORT TO SECURE 100 MILLION DOLLARS IN MILITARY AIDE TO THE CONTRA, AND SPECIFICALLY DIRECTED AGAINST LIEUTENANT COLONEL NORTH, AS THE ADMINISTRATION'S PRINCIPAL AGENT IN SUPPORT OF THE CONTRA, WFO IS UNABLE TO RESOLVE THE IDENTITY OF THE ORIGINATOR OF THESE ACTIVITY MEASURES. FURTHER, WFO HAS NO PREDICATION INTO THIS INVESTIGATION.

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PAGE SIX DE WF 0028 S E C R E T

IF FBIHQ REQUIRES ANY FURTHER ACTION BY WFO, WFO IS REQUESTING SPECIFICS REGARDING ANY FURTHER INVESTIGATION AND IS REQUESTING THAT THIS INFORMATION BY SET FORTH ALONG WITH APPROPRIATE INVESTIGATIVE ASSISTANCE.

CLASSIFIED BY: 2327; DECLASSIFY ON: OADR

F B 2902

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FD-302 (REV. 3-10-82)

Partially Declassified/Released on 1/30/87 under provisions of E.O. 12356 by B. [illegible], National Security Council

UNCLASSIFIED

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/28/86

Special Agents (SA) FLOYD H. PLUMMER and GERALD D. PERALTA, JR., conducted a surveillance of Room 5323 at the MARRIOTT HOTEL located on LeJeune Road, and commenced this surveillance at 7:35 a.m. The sole occupant of the hotel room, JACK TERRELL, was observed departing the room at 11:06 a.m., carrying a brown briefcase and small black overnight bag. Other Agents located in the lobby of the hotel advised SA PLUMMER by radio that TERRELL was observed checking out of the hotel and then departing the hotel area in a courtesy bus, apparently traveling to MIAMI INTERNATIONAL AIRPORT. At 11:35 a.m., the regular MARRIOTT maid was observed entering Room 5323 in order to clean it. At this time SA PLUMMER also entered Room 5323 and conducted a search of the various trash receptacles located in the room.

In addition to the various gum wrappers, cigarette butts, cigarette packages deposited in the trash container, a copy of the MIAMI HERALD, morning extra copy, Thursday, July 24, 1986, was found in the trash container. A cursory research of the newspaper indicated that an article had been torn from page 16A of the main section of the newspaper. Another copy of the same edition of this newspaper was obtained and this other copy indicated the torn newspaper article dealt with an opinion by Admiral JOHN POINDEXTER in which he stated that the relationship between the Nicaraguan Contras and Colonel OLIVER NORTH did not violate a congressional prohibition on United States involvement with the rebels.

Two MARRIOTT note pads where observed on a table in the room and appeared to have indented writing upon them. This indented writing appeared illegible to the naked eye. In addition to the two note pads, four pages of MARRIOTT stationery where also obtained and, to the naked eye, appeared to have no indented writing.

The above newspaper, note pads, and stationery, where turned over to the case Agents in this matter.

4304

~~SECRET~~

[redacted]

Investigation on 7/26/86 at Miami, Florida File # [redacted]

by SAs FLOYD H. PLUMMER and GP
GERALD D. PERALTA, JR. FHP:mmt Date dictated 7/28/86

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P 07 0000Z FEB 86

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under provisions of E.O. 12356
by B. Reger, National Security Council

FM NEW ORLEANS [redacted] (P)

TO DIRECTOR PRIORITY

BT

SECRET

4305

ATTENTION: SSA BILL HART, CID-6

INTELLIGENCE ACTIVITIES, IT - IRAN

THIS COMMUNICATION IS CLASSIFIED SECRET IN ITS ENTIRETY.

RE NEW ORLEANS TELETYPE TO DIRECTOR, JAN. 24, 1986, ENTITLED JACK REYNOLDS TERRELL, AKA J.R. TERRELL; [redacted] OO: NEW ORLEANS.

FOR THE INFORMATION OF SSA BILL HART, THE ABOVE REFERENCED TELETYPE CONTAINS A SUMMARY TODATE AND BACKGROUND INFORMATION REGARDING JACK TERRELL. IT IS REQUESTED THAT A COPY OF RE TELETYPE BE OBTAINED IN ORDER THAT CID-6 WILL HAVE A MORE COMPLETE UNDERSTANDING OF THIS SITUATION.

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[redacted]

Searched____
Serialized____
Indexed____
Filed____

1. 330-47

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PA [redacted] ~~SECRET~~

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4306

[redacted]

ON FEB. 7, 1980, TERRELL [redacted]NTACTED THE NEW ORLEANS DIVISION OF THE [redacted]Y NOON ON [redacted] INDIVIDUAL, WHO [redacted], REPRESENTED [redacted] OF THE IRANIAN [redacted] ADVISED TERRELL THAT HE WAS INTERESTED IN [redacted] PARTS FOR THE F-14 AND F-15 JET FIGHTERS. HE FURTHER STATED THAT HE WAS INTERESTED IN BUYING HUGHES 500-D (DEFENDER) HELICOPTERS. HE SPECIFIED THAT THESE HELICOPTERS MUST BE ARMED WITH MISSILES, PARTICULARLY AS MANY ANTI-TANK MISSILES AS POSSIBLE. TERRELL ADVISED THIS INDIVIDUAL HE PROBABLY COULD

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PAGE THREE HQ [redacted] SECRET

COME UP WITH THE ABOVE MENTIONED MERCHANDISE, BUT THAT HE DID NOT WISH TO DISCUSS IT OVER THE PHONE AND WISHED TO CALL ON [redacted] AT THE IRANIAN EMBASSY. TERRELL WAS TOLD THAT HE WOULD BE RE-CONTACTED TELEPHONICALLY IN THE FUTURE.

TERRELL FURTHER ADVISED THAT HE IS LEAVING ON TUESDAY, FEB. 11, 1986, FOR COSTA RICA AND WILL PROBABLY BE GONE A WEEK TO TEN DAYS. HE DOES NOT KNOW WHETHER HE WILL BE CONTACTED WHILE HE IS IN COSTA RICA OR NOT.

TERRELL WAS ADVISED IN DETAIL OF THE FACT THAT HE MAY NOT CONSIDER HIMSELF TO BE EMPLOYED BY OR CONNECTED WITH THE UNITED STATES GOVERNMENT IN ANYWAY AT THIS TIME. HE WAS TOLD THAT THE FBI WILL BE HAPPY TO RECEIVE ANY INFORMATION WHICH HE WISHES TO GIVE, BUT THAT HE WOULD NOT BE ISSUED ANY INSTRUCTIONS OR HAVE ANY REQUIREMENTS LEVIED UPON HIM BY THE FBI.

FBIHQ IS EXPEDITIOUSLY REQUESTED TO RUN A NAME CHECK ON [redacted] THROUGH CIA AND FBIHQ INDICES. IT IS REQUESTED THAT CONSIDERATION BE GIVEN TO CONTACTING LEGAT MEXICO CITY REGARDING THIS MATTER.

C - G-3, D - OADR

BT

UNCLASSIFIED

[redacted]

UNCLASSIFIED

MEETING
[redacted]
7/18/86

The following individuals were in attendance at a meeting held in the SAC's Office, on 7/18/86:

SAC Dana Caro
ASAC Dave Binney
ASAC Danny Coulson
ASAC Joe Johnson
SSA Billy Spellings (TSS)
SSA Al Witzgall (CI-16)
SA Mike Bechaud (CI-9 Primary Relief)
SA Ellen Glasser (C-8) (Case Agent)
SA Gary Harter (CI-16)
SA Fred Vichich (SOG)
AOSM Linda King
Ms. Patti Gvozdich (ASAC-C Secretary)

The following subjects were discussed at this meeting regarding [redacted]

Surveillance

It was discussed that we need full-time SOG coverage on Terrell. SOG and SSG will work this together. [redacted]

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[redacted]

FBI – WASH. FIELD OFFICE
Glasser 12c

UNCLASSIFIED

SAC Caro tasked AOSM King with arranging for overtime for SSG. He wants no problems from FBIHQ regarding this matter and advised AOSM King to have FBIHQ contact him if there is aproblem with our receiving this overtime.

Robinnette

It was discussed that we are having problems with Robinnette being under surveillance. SA Glasser talked with him on the telephone, and he stated that he knew he was being surveilled and questioned her as to whether he was being surveilled by the "good guys or bad guys." He gave her tag numbers and car descriptions, and SA Glasser is checking this out with SOG.

When EAD Buck Revell called North, it was apparent that Robinnette was there.

SA Glasser stated that SA Ray Jechorek was pursuing checks on Robinnette (credit, criminal, agency, etc.) ASAC Binney suggested that a Dunn and Bradstreet check be done on Robinnette's company. It was determined that an indices check had not been done on Robinnette.

Sampson and Cordero

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SSG will cover Sampson and Cordero. [redacted] SA Roybal stated that Sampson lives in Bethesda, and he is unsure where Cordero lives.

Ollie North

SAC Caro inquired as to whether we have pictures of Ollie North. It was determined that we do not have an actual file on North; therefore, no pictures.

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Memorandum

UNCLASSIFIED

To : SAC, WFO [redacted] (P) (C-8)

Date 7/18/86

From : SA STEPHEN A. MCCOY

Subject : JACK REYNOLDS TERRELL, AKA
COLONEL FLACO;
[redacted]
OO:WFO

Partially Declassified [illegible] on 4/29/86
under provisions of E.O. [illegible]
by B. [illegible] National Security C[illegible]

SECRET

This communication is classified "Secret" in its entirety.

4308

On 7/18/86, SA STEPHEN A. MCCOY reviewed a CBS Evening News Broadcast tape, dated 7/14/86, which included a brief segment on OLIVER NORTH. NORTH was identified as a staff member with the National Security Council (NSC) and was further alleged to provide liaison between the White House and the "Contras" fighting the Nicaraguan Government. The segment on NORTH followed a CBS overview of:

1) The history of U.S. Government aid to the "Contras"

2) The suspension of U.S. aid to the "Contras" following disclosure of alleged CIA and "Contra" improprieties,

3) The recent legislative aid package approved for the "Contras" and

4) The past efforts of intermediaries (both private and government) to funnel aid to the "Contras."

Regarding the latter point, NORTH was alleged to have been involved in circumventing the previous congressional ban on aid to the "Contras."

A "file film" picture of NORTH was shown during the broadcast, from which a "freeze frame" photograph was obtained.

The CBS broadcast did not make any references to captioned subject or to any other individuals known to be involved in captioned matter.

SECRET

Classified by: G-3
Declassify on: OADR

2-WFO
SAM:cjc
(2)

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[redacted]
SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____
JUL 18 1986
FBI—WASH FIELD OFFICE

C.M.A.
Civilian Military Assistance
208 Lucille Drive, S.W.
Decatur, Alabama 35603

UNCLASSIFIED

June 27, 1986

Colonel Olive North
White House
National Security Council
Washington, D.C. 20301

Dear Sir:

Why was the idea of helping the Freedom Fighters by the private sector taking away from us?

As you know CMA started in 1983, with the first deliveries of humanitarian-aid to the FDN in January 1984. Up to-date we have collected only from supporters $35,000.00, we have delivered over $4 million in supplies to the Freedom Fighters in the North and South of Nicaragua.

We have asked for assistance repeatedly from Gen. Singlab and one other, but the only thing we have received are our phone bills, for our efforts. The rest of the monies for our expenses have come out of our on pockets.

Repeatedly, we asked, horse-traded, and begged for supplies for Freedom Fighters. We can not help but notice the un-limited expense accounts and salaries for Johnny come latelys with brown noses.

We, of CMA, are not asking for nor or we begging, for a living just what is fair.

Per Capitol dollar,what we have spend for supplies compared to others,we have streched that dollar so thin that it looks like a helmet-band

We have taken verbal abuse from news-media and co-hearts of other organizations for 2 reasons":
1. We were NCO's
2. Not rich

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under provisions of E.O. 12356
by B. Reger, National Security Council

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4309

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We have been verbally abused but took it, about things we had no control over nor initiated. We are not cry-babys.

We have watched others collect hundreds of thousands, not one penny going to supplies. They get to see the President, we don't even get Thank You. We have collected supplies and loaded some to go south that others took credit for to raise more money for themselves.

A quick run down on what we have done for Freedom Fighters besides $4 million (wholesale)

We have developed personal relationships with FDN leadership in the field.
We have loaded every plane out of New Orleans (50+)
We have traveled over 200 thousand miles, Logged in 3 years 50 thousand man-hours.
I, personally have spend over $50 thousand dollars.
Have lost 2 close friends.
Have gained more selfrespect for myself and members.
Have lost respect for some so-called leaders of democracy because of attitude of "I want to be the boss".

I realize this letter may fall on deaf ears or blind eyes, think of yourself as a Marine Corp Officer--Up-holding Marine Corp standards, of taking care of your men.

Sincerely your friend in freedom,

Tom Posey

Tom Posey
Former U S Marine Corp Corpal
Director of CMA

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by B. Reger, National Security Council

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FM: WFO [redacted] (C-8)(P)

TO: DIRECTOR, FBI (ATTN: CID/TERRORISM UNIT, CID/PERSONAL CRIMES UNIT, CI-2/INTELLIGENCE DIVISION) IMMEDIATE

FBI, ALEXANDRIA IMMEDIATE

FBI, BIRMINGHAM IMMEDIATE

FBI, HOUSTON [redacted] IMMEDIATE

FBI, MEMPHIS IMMEDIATE

G [redacted]

FBI, NEW ORLEANS [redacted] IMMEDIATE

BT

~~SECRET~~ SECTION 1 OF 3

JACK REYNOLDS TERRELL, AKA COLONEL FLACO, NEUTRALITY MATTER-POSSIBLE THREAT TO ASSASSINATE PRESIDENT RONALD REAGAN, DATED 7/15/86; OO: WFO

RE WFO TELCALLS TO SSA RON KLEIN BY SSA DUNBAR, WFO 7/17/86; WFO MEETING WITH JOHN SCHIEBER AT FBIHQ, 7/17/86; WFO TELCALLS

②-WFO

EG:dlj dlj
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[redacted]

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PAGE TWO DE WF #0001 SECRET

TO MIAMI, NEW ORLEANS, MEMPHIS, DATED 7/17/86; NO TEL TO
ECTOR, DATED 4/11/86.

G

[redacted] AND "JACK REYNOLDS TERRELL, [redacted]
OO: NEW ORLEANS" [redacted].

H

BACKGROUND INFORMATION REGARDING PRIOR CONTACTS BY TERRELL WITH THE FBI THROUGH THE PERIOD 1/84-4/84 ARE OUTLINED IN DETAIL IN REFERENCED NEW ORLEANS TELETYPE DATED 4/11/86. TERRELL, A FORMER MEMBER OF THE CIVILIAN MILITARY ASSISTANCE (CMA), AN AMERICAN PARAMILITARY GROUP, PROVIDED INTERVIEWERS WITH EXTENSIVE DETAILED INFORMATION REGARDING EVENTS OCCURRING IN NICARAGUA IN 1984 AND 1985; TAPE RECORDINGS OF CONVERSATIONS

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PAGE THREE DE WF #0001 SECRET

BETWEEN HIMSELF AND MEMBERS OF THE IRANIAN EMBASSY IN MEXICO CITY AND THE NICARAGUAN EMBASSY IN WASHINGTON, D.C. AND A MANUSCRIPT OF A BIOGRAPHY HE WAS GHOST-WRITING. IT WAS LATER CONCLUDED THAT TERRELL'S INFORMATION WAS EITHER THE RESULT OF HEARSAY AND ASSOCIATION, OR FABRICATION. BECAUSE TERRELL DISPLAYED AN OUTSPOKENNESS WITH ALL AGENCIES HE HAD BEEN IN CONTACT WITH, I.E. FBI, DEA, CIA, AND THE MEDIA, NEW ORLEANS FELT NO CONTINUED RELATIONSHIP WITH TERRELL COULD BE CARRIED ON IN CONFIDENCE AT THAT TIME. TERRELL LEFT THE NEW ORLEANS AREA IN APRIL, 1986, IN A MYSTERIOUS MANNER, WHEREABOUTS UNKNOWN, AND BEFORE INSTANT DATE ALL INVESTIGATION WAS AT A STANDSTILL.

H

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SECRET SERVICE WAS BRIEFED AND ADVISED THAT THEY WOULD COORDINATE AN INVESTIGATION WITH FBI, WFO, REGARDING A THREAT TO PRESIDENT REAGAN. SECRET SERVICE WAS ADVISED AND UNDERSTOOD THAT WFO'S SOURCES SHOULD BE AFFORDED THE GREATEST SECURITY IN ORDER NOT TO COMPROMISE THEM.

SUBSEQUENT MEETINGS TOOK PLACE AT FBIHQ ON 7/17/86 INVOLVING WFO AND DIVISION 5 AND 6 PERSONNEL IN WHICH A DECISION WAS REACHED THAT WFO WOULD OPEN THIS MATTER AS A NEUTRALITY ACT CASE, WITH WFO AS OFFICE OF ORIGIN. WFO WILL COORDINATE ALL INVESTIGATION, KEEPING USSS AND FBIHQ'S DIVISION 5 AND 6 APPRISED AND SETTING OUT LEADS ACCORDINGLY.

IN ATTEMPTS TO LOCATE JACK TERRELL, FBIHQ WAS ALERTED BY OFFICIALS WITHIN THE NATIONAL SECURITY COUNSEL (NSC) THAT TERRELL WAS CURRENTLY IN THE WASHINGTON METROPOLITAN

C BY G-3; D ON OADR

BT

#0001

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FM: WFO [redacted] (C-8) (P)

TO: DIRECTOR, FBI (ATTN: CID/TERRORISM UNIT, CID/PERSONAL CRIMES UNIT, CI-2/INTELLIGENCE DIVISION) IMMEDIATE

FBI, BIRMINGHAM IMMEDIATE

FBI, HOUSTON [redacted] IMMEDIATE

G FBI, MEMPHIS IMMEDIATE

[redacted]

FBI, NEW ORLEANS [redacted] IMMEDIATE

BT

SECRET SECTION 2 OF 3

JACK REYNOLDS TERRELL, AKA COLONEL FLACO, NEUTRALITY MATTER - POSSIBLE THREAT TO ASSASSINATE PRESIDENT RONALD REAGAN, DATED 7/15/86; OO: WFO

AREA AND HAD HAD CONTACTS WITH A (X) GLEN ROBINETTE, WHO THE NSC OFFICIALS ADVISED WOULD BE COOPERATIVE WITH THE FBI. ROBINETTE WAS CONTACTED AND INTERVIEWED EVENING OF 7/17/86 AS FOLLOWS:

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by B. Reger, National Security Council

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ROBINETTE, [redacted] MET TERRELL ON 7/11/86, AFTER TRYING TO MAKE CONTACT WITH HIM FOR THREE WEEKS. ROBINETTE, BELIEVED TO BE WORKING IN AN UNSPECIFIED GOVERNMENT CAPACITY, TOLD TERRELL HE WAS A NON-PRACTICING ATTORNEY REPRESENTING INVESTORS INTERESTED IN TERRELL COLLABORATING WITH OTHERS TO WRITE A BOOK, DO A TV SERIES, OR PRODUCE A MOVIE ABOUT HIS EXPERIENCES. WITH TERRELL'S BACKGROUND AND EXPERIENCE IN THE CMA AND PARAMILITARY ACTIVITIES, ROBINETTE TOLD TERRELL THERE WAS A BIG AUDIENCE FOR A "RAMBO" TYPE FIGURE INVOLVED IN COUNTRY-CONFLICT ISSUES.

ROBINETTE MET REGULARLY WITH TERRELL 7/11-14/86, AFTER TELEPHONING HIM AT 1711 MASSACHUSETTS AVENUE, NW, THE APARTMENT OF A MAL WARWICK. (HAINES CRISS-CROSS LISTS PHONE FOR WARWICK AS 667-1151.) WARWICK IS AFFILIATED WITH MAL WARWICK AND ASSOCIATES, INC., A CONSULTING AND PRODUCTION FIRM FOR NUMEROUS NONPROFIT PUBLIC INTEREST GROUPS. ROBINETTE ALSO PHONED TERRELL AT 547-3800, THE CENTER FOR DEVELOPMENT POLICY, 731 8TH STREET, SE, WDC. SUBSEQUENT TO 7/14/86, TERRELL LEFT THE APARTMENT ON MASSACHUSETTS AVENUE AND TOLD

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ROBINETTE HE COULD BE REACHED AT AN ARLINGTON, VIRGINIA TELEPHONE NUMBER, 524-6940.

ROBINETTE ADVISED THAT TERRELL SPOKE OF DISILLUSIONMENT ON HOW THE NICARAGUAN ISSUE WAS BEING MISHANDLED BY THE REAGAN ADMINISTRATION, BUT TERRELL WAS NOT SPECIFIC REGARDING ANY ACTIONS, EITHER PRO-CONTRA OR PRO-SANDINISTA PLANNED ON HIS PART. NO INDICATION WAS GIVEN AS TO HOW LONG TERRELL WOULD REMAIN IN THE WASHINGTON AREA AND ROBINETTE ADVISED HE WOULD ATTEMPT TO CONTACT TERRELL ON THE MORNING OF 7/18/86 TO CONTINUE HIS TALKS. ROBINETTE STATED HE WOULD ADVISE WFO WHEN AND WHERE SUCH A MEETING WOULD TAKE PLACE.

ROBINETTE FURNISHED INTERVIEWERS WITH DOCUMENTS RELATING TO MAL WARWICK AND ASSOCIATES, EXCERPTS OF TERRELL'S BOOK, AND OUTLINES FOR PROPOSALS REGARDING HELICOPTER SERVICE AND AIR FREIGHT SERVICE COSTA RICA. WFO WILL REVIEW THESE DOCUMENTS FOR INFORMATION RELATING TO CAPTIONED MATTER.

H [redacted]

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PAGE FOUR DE WF #0002 SECRET

H [redacted]

H

[redacted] WITH CONSIDERATION TO BE GIVEN TOWARD INTERVIEWING TERRELL UNDER THE PRETEXT OF CONTINUING

G [redacted]

WFO WILL MAINTAIN CONTACT WITH GLEN ROBINETTE REGARDING THE CURRENT WHEREABOUTS OF TERRELL AND HIS ACTIVITIES.

FURTHER INVESTIGATION ON 7/18/86 PROVIDED EXACT SUBSCRIBER INFORMATION AS NEW SERVICE CONNECTED INSTANT DATE, TO J. TERRELL, 1021 ARLINGTON BOULEVARD, APARTMENT 1013, ARLINGTON, VIRGINIA. WFO HAS ALSO OBTAINED INFORMATION INDICATING THAT TERRELL'S DAYTIME CONTACT NUMBER IS 202-547-3800, CENTER DEVELOPMENT AND POLICY, 731 8TH STREET, SE, WASHINGTON, D.C.

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FULL DESCRIPTION FOR TERRELL IS AS FOLLOWS:

NAME: JACK REYNOLDS TERRELL, W/M, DOB 4/13/41, POB BIRMINGHAM, ALABAMA, HEIGHT 5'8 1/2"-5'10", WEIGHT 165 POUNDS, HAIR BROWN/GREY, EYES BLUE, 3/4" CUT SCAR ON BACK LEFT THUMB, SSAN 416-56-1245.

REQUESTS OF THE BUREAU:

1. LOCATE AND REVIEW [redacted] FOR BACKGROUND INFORMATION ON JACK REYNOLDS TERRELL. OBTAIN PHOTOGRAPHS OF TERRELL AS FURNISHED BY MIAMI AND/OR NEW ORLEANS (PER TELCALLS INSTANT DATE TO MI AND NO) CONDUCT INDICES SEARCH FOR OTHER REFERENCES.

2. EFFECT CHECK FOR JACK REYNOLDS TERRELL IN IDENTIFICATION/ CRIMINAL RECORDS, [redacted]

3. CONTACT CIA TO DETERMINE IF TERRELL IS OF OPERATIONAL INTEREST TO THEM.

LEADS:

WFO AT WASHINGTON, D.C.:

1. COORDINATE WITH FBIHQ REGARDING REVIEW OF ITS FILES ON TERRELL.

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2. MAINTAIN CONTACT WITH GLEN ROBINETTE REGARDING THE LOCATION OF TERRELL.

[redacted]

4. CONTACT BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, WDC, TO DETERMINE WHETHER ATF HAS ANY CURRENT OR PAST INVESTIGATION INVOLVING TERRELL.

H

5. MAINTAIN LIAISON WITH USSS.

[redacted]

BIRMINGHAM DIVISION AT BIRMINGHAM: WILL REVIEW FILES REGARDING TERRELL AND PROVIDE ANY UPDATED INFORMATION AVAILABLE REGARDING TERRELL'S RECENT ACTIVITIES OR CHA ACTIVITIES THAT MAY BE DEEMED PERTINENT. CONTACT ATF REGARDING A POSSIBLE 1978 CASE INVOLVING TERRELL AND PROVIDE DETAILS.

C BY G-3; D ON OADR.

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FM: WFO [redacted] (C-8) (P)

TO: DIRECTOR, FBI (ATTN: CID/TERRORISM UNIT, CID/PERSONAL CRIMES UNIT, CI-2/INTELLIGENCE DIVISION)

FBI, BIRMINGHAM IMMEDIATE

FBI, HOUSTON [redacted] IMMEDIATE

FBI, MEMPHIS IMMEDIATE

G [redacted]

FBI, NEW ORLEANS [redacted] IMMEDIATE

BT

SECRET SECTION 3 OF 3

JACK REYNOLDS TERRELL, AKA COLONEL PLACO, NEUTRALITY MATTER-POSSIBLE THREAT TO ASSASSINATE PRESIDENT RONALD REAGAN, DATED 7/15/86; OO: WFO

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H [redacted]

MEMPHIS AT NASHVILLE: CONTACT U.S. CUSTOMS REGARDING INFORMATION ON A "REVERSE-STING" OPERATION IN WHICH TERRELL MAY BE OF OPERATIONAL INTEREST. REPORT FULLY ON ITS STATUS AND TERRELL'S TRAVELS PERTAINING TO ANY INVESTIGATION.

G

[redacted] REVIEW ITS FILES AND [redacted] DETERMINE IF TERRELL IS SUBJECT OF OTHER FEDERAL INVESTIGATION OR IS UNDER INDICTMENT [redacted]

AT NEW ORLEANS: REVIEW ITS FILES AND PROVIDE STATUS UPDATE.

H [redacted]

C BY G-3; D ON OADR.

BT

#0003

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FD-302

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/25/86

1 SECRET

This entire communication is classified "SECRET".

On the evening of July 16, 1986, GLENN A. ROBINETTE, telephone [redacted] was interviewed at the Headquarters of the FEDERAL BUREAU OF INVESTIGATION (FBI) by Special Agent ELLEN GLASSER of the Washington Field Office, Deputy Assistant Director, Criminal Investigative Division, JOHN J. SCHREIBER, and Unit Chief JAMES B. EGBERS. Special Agent KEN DONOHUE of the UNITED STATES SECRET SERVICE, was present during the interview. After being apprised of the interviewers' identities and purpose, ROBINETTE furnished certain information as contained herein. Prior to the interview, ROBINETTE was picked up at the intersection of 17th Street and Pennsylvania Avenue, N.W., Washington, D.C.

ROBINETTE was not queried regarding background and employer.

ROBINETTE advised that he had been attempting to locate a JACK TERRELL for approximately three weeks. He did meet TERRELL for the first time on July 11, 1986, and has had almost daily contact with him since that date. ROBINETTE approached TERRELL under the pretext that he was a non-practicing attorney representing a group of investors interested in TERRELL as a collaborator for books, television, shows and movies. The theme of these media forms was to be centered around country conflicts with a "Rambo" type appeal. ROBINETTE stated it was his intent to learn information about TERRELL which would account for his attempts to discredit United States efforts in Central America. In his contacts with TERRELL, ROBINETTE attached a 75 percent possibility for the chance that TERRELL believed his story.

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CLASSIFIED BY: G-3
DECLASSIFY ON: OADR

Kmo

WASHINGTON FIELD

Investigation on 7/16/86 at Washington, D.C. File [redacted]

SA ELLEN GLASSER, DAD JOHN J. SCHREIBER
by UNIT CHIEF JAMES B. EGBERS EG:tl Date dictated 7/23/86

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FD-302a

Continuation of GLENN A. ROBINETTE "SECRET" Page -2-

While TERRELL does not volunteer information, ROBINETTE has obtained certain information on TERRELL which he compiled in a summary, dated July 15, 1986. Conversely, however, TERRELL has never asked ROBINETTE his last name or requested a telephone number.

ROBINETTE furnished investigators with a three page summary, dated July 15, 1986, as well as other documents. ROBINETTE's statements to interviewers confirm the information contained in the attached summary.

ROBINETTE located TERRELL by making inquiries through the CHRISTIC INSTITUTE, Washington, D.C. The Institute was described as a group of priests against "big brother companies and government". ROBINETTE contacted TERRELL through telephone numbers which placed TERRELL at the CENTER FOR DEVELOPMENT POLICY, 731 8th Street, S.E., Washington, D.C., or at an apartment of a MAL WARWICK of MAL WARWICK AND ASSOCIATES, INCORPORATED, 1711 Massachusetts Avenue, N.W., Washington, D.C. ROBINETTE contacted him through both telephone numbers, visited the apartment and had contacts with TERRELL outside the Center.

While ROBINETTE visited TERRELL at the apartment, ROBINETTE observed a copy of a civil suit filed by two American reporters, TONY AVIRGAN and MARTHA HONEY in Costa Rica against seven Cubans and five Americans. TERRELL advised that this suit alleged that the property of a JOHN HULL in Costa Rica was misused and showed an example of a misuse of funds. TERRELL never committed himself to ROBINETTE on the Nicaraguan issue. He told ROBINETTE that he had been in Central America to fight for Nicaragua. He felt that CIA and [redacted] monies had been misappropriated and gave the example of MARIO CALERO in Miami. TERRELL was believed to have visited Costa Rica in February, 1986, and May, 1986.

TERRELL told ROBINETTE he was collaborating on a book with DAN GROTHAUS, a reporter with the Houston Post. TERRELL furnished ROBINETTE with an excerpt of the book. TERRELL also furnished ROBINETTE with outlines of proposals for an air freight service and helicopter service in Costa Rica.

ROBINETTE had no indication from TERRELL of how long he had been in the Washington, D.C. area or what his travel plans in the future would be. ROBINETTE did not think TERRELL was armed with a weapon when in his company. TERRELL told ROBINETTE he was

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Continuation of GLENN A. ROBINETTE "SECRET" Page -3*-

supportive of the Contra movement, but thought that the REAGAN Administration had mishandled the program. TERRELL told him he voted for REAGAN and displayed no tendancy toward commiting a violent act against anyone in the future. ROBINETTE remarked that this opinion was clouded somewhat by the reading of TERRELL's book excerpt, in which, on page 13, TERRELL brutally describes killing of prisoners. ROBINETTE stated he had not really figured TERRELL out and could not assess the accuracy of TERRELL's statements to him or the statements in the book.

TERRELL apparently stayed at the apartment of MAL WARWICK until July 13, 1986, or July 14, 1986, when WARWICK, who had previously been out of town, returned to town. Subsequently, TERRELL gave ROBINETTE the following contact number, 524-6940, to reach him.

TERRELL refused $100 offered as a loan to him by ROBINETTE. ROBINETTE could not speculate on TERRELL's source of income. On one of their meetings, ROBINETTE took TERRELL to the Center to meet a DAVID MacMICHAEL, supposedly a former Chief of Station, Honduras and Nicaragua (uncorroborated).

ROBINETTE advised he has not spoken to TERRELL since the previous Monday and would call him the next day to arrange a meeting. He advised he would forward this information to the FBI.

ROBINETTE furnished, in addition to his summary of TERRELL, copies of the following documents with referenced source:

(1) Outline, Helicopter Service, Costa Rica (provided by TERRELL)
(2) Outline for: Air Freight Line, Costa Rica (provided by TERRELL)
(3) "Dear Friend" Newsletter published by MAL WARWICK AND ASSOCIATES (apartment of MAL WARWICK)

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15 July '86

Summary of Comments from Interviews-Jack Terrell
(His statements/comments)

-Jack Reynolds Terrell, 45 years of age, born in Alabama, 5'10" 165 lbs, slender build, brown/grey hair.

-Ran away from home at 14 years of age, conflicts with family/father, family well-off, father worked with Southern Railway.

-Jack and 2 boys stole a Model A Ford, broke into a gas station and took money for gas. He was 14 years of age, was sentenced to 18 year in prison. Spent 6 years in Alabama and was released. Never returned home. Hired by the Alabama prison system as to work with wayward teenagers.

-Parents are now dead. Has 2 sisters - 1 in Alabama, 1 in Florida.

-He married and divorced. Gave his wife substantial money at time of divorce as he was a millionaire by age 27. She is still unmarried and in Alabama.

-He had 5 companies in the past. Has no income now. Gets no money from Christic Institute or news interviews. Lives off of friends such as the apartment in DC on Mass Ave.

-Christic handles causes and cases for fights against "big brother companies and governments." Sheehan is brilliant, Davis is a Jesuit priest and lawyer. Sheehan studied for the priesthood. Sheehan and wife live in a house near the moniatary in DC owned by the Catholic Church. The Church supports Christic financially.

-Jack gets no money from Sen Kerry - either by check or cash.

-Jack gets no money from anyone and is "hurting slightly."

-Jack does not want to align himself with any political group or cause. Will help only if the cause is identifying with actions such as the Government and CIA which hurts or is not helping the people (Indians) in Nicaragua: Most all of the monies brought in were actually skimmed off by the senior officers and very little ever got down to the people needing food, medicines, etc.

-Hull is an agent for the CIA. has an 8,000 acre ranch with 5 air strips. Strips were used for landings and transfer of military equiment but also drugs. TV News shots actually show officials helping transfer boxes, etc.

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-Sen Kerry introduced/arranged a meeting with financial investors in the Boston area for the air services. They liked it and are awaiting Jack's return to the area for more talks.

-Jack is a pilot of prop aircraft including choppers. No jets.

-Christic has a hundred witnesses and will win the suit now pending in Florida. Jack will testify for Avigan/Honey. The Americans named in the suit are either emplyees of CIA or contract employees.

-The Senate plans very strong efforts to defeat the funding. Peace groups plan large demonstrations throught the country. The approval will be defeated. Christic has about 12 attorneys supporting them.

-Singlaub and North have provided secret funding in the past and it was not distributed fairly.

-Jack has very good contacts in Costa Rica. He was there in February and May '86. He has a valid US passport which was once taken from him and stamped "Cancelled." by the US authorities when he was forcibly removed by gunpoint from Nicaragua by direction of the CIA.

-Jack as an IQ of 180 and total recall of names and numbers from many years ago.

-On Sat evening 12 July '86, Jack received a call from an Anchorage newspaper reporter who asked what he knew about a local air company named MockAir (sp?). What Jack said to the reporter is not known yet He did tell me that "MockAir is owned by Zantoc in Chicago who is owned by Evergreen who is owned by Air America, the largest airline in the USA and has never carried a legitimate passenger. MockAir is owned/connected with Maul Corporation, Maultrie, Georgia. They make STOL aircraft. STOL aircraft were used by AF General Richard Secord in covert air operations. He also used PV-1 Neptunes for the same purpose." "He runs an 'under-airforce' for North."

-George Dooley was the operator of Air America and recently died.

-News reporters Brian Barger, AP and Christopher Dickey, Washington Post know a great deal about the Nicaraguan problem and have talked with people involved down there and here in the US.

-Jack, as a convicted felon cannot get a job easily. He has limited employ~~ed~~ment possiblities, not with Kerry or US Government. He must travel on his own, be independent, create his own successes.

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1.

Jack Terrell loved his country and believed that America could do no wrong. He wanted to serve his country. America's enemies---the Russians and all their puppet governments such as Poland, Cuba, Nicaragua---were the bad guys. America's friends and public servants were the good folk in the white hats. That included the CIA.

Now Jack Terrell is willing to die not for his country but for what he believes in ... and if he testifies before the Senate and House Select Committees on Nicaragua, as he's been asked to do by Senator John F. Kerry of Massachusetts and Representative Mike Barnes of Maryland, the FBI has warned him it could happen.

"But they can only kill you once," Jack says. "The problem is getting hurt. They can do that to you often."

In September 1984 when 42-year-old Jack Terrell conned his way into an Alabama-based mercenary group to join the fight against the Communists in Nicaragua, he didn't mention to them the CIA-sanctioned operation that was his real mission. And he didn't dream that before he left Nicaragua and Honduras---before the CIA forced him to leave, at gunpoint---he would have his own personal and private reason for wanting to stay.

Terrell then owned a condo service company; he had hardly any military experience. Today he appears as a soft-spoken, intelligent, articulate Southern businessman---tall, slender, dark-haired and blue-eyed---not a mercenary, not a gunslinger, and hardly a reflection of the kid in the black leather jacket and greased ducktail arrested by Alabama cops 27 years ago.

He grew up in Birmingham, Alabama; James Dean was his hero. At 15 he was caught joyriding in a stolen car, and spent his next six years in prison. Behind bars he learned the tricks of burglars, thieves and moonshiners, gave himself the equivalent of a college education, and laid the foundation for an expertise in military weapons and tactics. After his release he became the first ex-con in Alabama history to be hired by the prison system; he was the state's youngest and newest "dog warden," responsible for tracking down escaped prisoners. But publicity about his background as a former inmate forced the state to ask for his resignation.

During the Viet Nam era he was classified 4-F because of his felony conviction. Terrell had few marketable skills, a wife, and a young daughter. Then his 3-month-old girl was in a car accident with his wife and parents; she died 33 days later, and Jack always felt her life would have been saved if

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she had had prompt emergency care. It was stubborn grief and a sense of waste that motivated Jack to call a friend in Washington D.C. The friend loaned him $2,000 to start an ambulance service in Montgomery, Alabama.

A few years later Jack Terrell had made his first million. He had emergency ambulance contracts throughout Alabama and Mississippi, owned two airplanes and a ranch where he raised Palomino horses. But on the heels of a nasty divorce he managed to lose or sell off his business interests.

In September 1984 he was half-heartedly selling time-share condos in Gulf Shores, Alabama, when he read about two Americans who had been shot down in a helicopter over Nicaragua. They belonged to a group called Civilian Military Assistance (CMA), headquartered in nearby Decatur, Alabama.

Jack was mildly interested.

He became very interested when a week later he was contacted by an old friend in Washington, D.C. This man was an unofficial liaison for "the Company," the CIA. (For the moment, at least, he can't be named.) The Company for nearly a decade had used his small cargo company to ship arms to countries around the world.

The friend now suggested to Jack that, under the cover of the CMA from Alabama, he could organize a strike force of Americans and Contras to enter Managua, disrupt public utilities through a series of bombings, and at the same time assassinate the Nicaraguan Minister of the Interior, Tomás Borge. This was the same Tomás Borge recently singled out by President Reagan in a Saturday morning mid-March radio address for having engaged "in a brutal campaign to bring the freedom fighters into discredit."

"You see," Reagan said, "Borge's communist operatives dress in freedom fighter uniforms, go into the countryside and murder and mutilate ordinary citizens."

Jack Terrell's assignment was to put together a CIA infrastructure within CMA, ~~and then carry~~ out CIA-directed strikes. The first one was: get rid of Tomás Borge. The CIA would foot the bill. They agreed formally to pay Jack a fee of $50,000 to do the job. The operation was to be code-named Pega[redacted] for the CIA before, in Rhodesia in 1967 and during the investigation of Tong Sun Park in 19?????. His service had been too brief, unsatisfactory. He had always felt unfulfilled. He was a romantic; he craved adventure and action. He viewed his last two decades as dull, a series of failures punctuated by minor tragedies. He wasn't sorry for himself, he was just determined to get off his ass and do something with his life. He truly believed that Communism was evil, and those who tried to force it on illiterate Third World peasants deserved to be crushed, eliminated. What better course of action, what nobler cause, than to serve his country?

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He agreed to launch Operation Pegasus, if he could convince the people at CMA. It was a challenge. The adrenalin flowed.

At first he couldn't find a telephone listing for CMA, so he tried another approach. He called the Decatur Police Department, told them that he was a state cop from Tennessee and had a warrant for a man allegedly associated with some group called CMA. The desk sergeant launched into a long diatribe against CMA's founder, Tom Posey, and bemoaned the recent death in Nicaragua of a former Huntsville cop who had joined up with CMA. "Yeah, I know where Posey is," the sergeant said. "But he and that gang aren't patriots or even real soldiers ... they're gun runners and dope smugglers."

A few days later Jack sat in a Denny's Restaurant near the New Orleans airport. Across the table was Tom Posey, founder of the year-old mercenary group. Posey, in his 40s, was a tall, smiling country boy who wore old blue jeans and drugstore-cowboy boots. Having heard President Reagan open the floodgates to volunteerism by publicly announcing that he backed the "freedom fighters and volunteers" all over Central America, and that if he was young enough he'd be down there too, Posey had raised the funds from right-wing Alabamans and formed CMA.

His avowed purpose was to supply arms and men to the Nicaraguan Contras. To that effect he worked closely with Mario Calero, the brother of Contra leader Adolfo Calero, and their current project was the formation of a new, small force of American volunteers who would fly down to Managua and join the battle. A CMA group had been to Central America already under the command of a man named Stedman Fagoth, but Fagoth had been booted out of Honduras after it was discovered that a part of the money made available to him had gone toward his personal needs in Miami. But Fagoth's help was still needed; he had the necessary contacts among the Contras.

Posey seldom checked credentials. Jack Terrell's proposal to create "a special strike force" comprised of Spanish-speaking Americans and English-speaking Contras was all he wanted to hear. He barely glanced at Jack's fabricated resume before inviting him to "join up."

When Jack attached himself to CMA it was, in his words, "a loose-knit group of redneck flag-wavers of dubious intelligence" who had heard the call of destiny to tilt the balance of power in Central America toward democracy and the American way. Their ultimate goal and pleasure---their mission---was to kill Communists. They were like little boys on a Saturday afternoon who had just seen a John Wayne double feature.

That he was similar to them was something he could not yet see.

Jack received his code name later that day at Mario Calero's home in Kenner, a suburb of New Orleans. It was to be used in a letter of introduction to Supreme Commander 380, Enrique Bermudez, the Contra military chief in Honduras.

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"What should we call you?" Calero, pen in hand, asked Jack. He had already started to write the letter. "Because if we call you by your real name and this letter falls into the wrong hands, everybody's ass is on the chopping block ... especially yours."

> "I told him I hadn't brought a suitable code name with me. He got up and went into the kitchen for more coffee, and I heard him talking to his wife. He came to the door wearing a big smile. 'My wife has named you,' he cried, with great enthusiasm. 'She says you're too thin. So we'll call you Flaco. Flaco! You like it? It means the thin one.'"

A few days after the meeting with Mario Calero, Jack Terrell met with a "blue suit"---CIA slang for a payoff man---at New Orléans airport, and received an envelope containing $20,000 in cash. The rest of the money was to come later, with a midway payment of another $20,000 and a completion "award" of the final $10,000.

Six months later Jack Terrell, known by then as Colonel Flaco, was exorcised from Central America by the U.S. State Department. He was deported under armed guard for accomplishing what the CIA and the U.S. government had not been able to accomplish---the creation of an active force in the Contra setup willing to go into combat on a daily basis with the Sandinista army inside Nicaragua. But in the eyes of the CIA and a very particular Uncle Sam, Terrell had created his fighting force among the wrong Contras.

During those six months, Jack Terrell's attitude hardened into one of "a plague on all your houses." He saw at first hand the Sandinistas' thirst for bloody reprisal and disregard for human life; but he saw the same qualities, and more, in the U.S.-backed Fuerza Democratica Nacional (FDN) Contras and even in their Indio allies, the Misuras. He saw that the FDN Contras had raised an army of 16,000 supposed fighting men, but were far more interested in public relations than in joining battle to win their oft-proclaimed democratic goals.

Terrell, "the thin colonel," met during that period with wealthy Americans desirous of investing in the Contras, as if the Contras were a stock on the Big Board, in return for what amounted to future ownership of Central American natural resources. He was a participant in meetings in the United States between Contra leaders, American businessmen and CIA representatives; high on the agenda were plots for assassinations and terrorists attacks that were to be made to look like Sandinista acts. He was a willing participant, for a while.

But the ultimate goal of the Contras, Jack Terrell soon realized, was not victory on the battlefields of Nicaragua---it was direct United States military intervention as in Viet Nam.

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2.

Terrell, in his self-created role of Colonel Flaco, and five CMA American volunteers had just arrived at the FDN Contras' main camp across the border in Honduras. They were about to begin the training of their special unit when Terrell saw his first media event staged by an American television crew....

> "Adolfo Calero, the Contra's top man, had flown down from his comfortable home in Miami and invited an NBC-TV crew to tag alone. They were delighted. It hadn't been this exciting since Nam. Calero on this occasion---in front of the camera, somewhere in the deep bush of Honduras---was to give his troops a pep talk, and they would cheer and shout in order to impress the American audience on the 7 o'clock news with how badly the freedom fighters wanted to overthrow the Red bastards in Nicaragua.
>
> "I stayed in the bed of the Toyota truck with the cameraman. Adolfo assembled his troops on the seldom-used parade grounds of their encampment. At one point the NBC reporter, Fred Francis, interrupted Adolfo's speech. The men were so thin in the ranks, he said. (There weren't very many of them.) Couldn't they all bunch together? And he would narrow his camera angle, and the soldiers would look like a fighting force instead of a gang of stragglers.
>
> "Calero was happy to oblige. The rally began again. As he spoke the troops whooped and cheered, not with much enthusiasm, but at least on cue.
>
> "I said something to the cameraman about 'staging,' and asked if that wasn't dirty pool. He said, 'New York doesn't care. And what they don't know won't hurt them, amigo. Besides, if we give these guys a good image back home then our crew can fly down here anytime without having to go through all that red tape with their PR office.'"

Meanwhile Jack was learning at first hand how the Contras operated. All Sandinista prisoners, he noticed, were routinely killed. Supreme Commander Enrique Bermudez told Jack, "The men are instructed to cut the prisoners' throats. We have a shortage of bullets."

It was also common practice for the Contras to round up young men in rural Nicaraguan border villages and force them

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to join the Contra military force under threat of death. Those were the lucky young men. When the Contras entered Nicaragua from their sanctuary across the Coco River in Honduras, they searched through jungle villages and executed those suspected of being Sandinista sympathizers.

Turnabout was fair play. To the east, in Nicaragua's Zelaya province, thousands of Moskito Indians were slaughtered by Sandinista soldiers and their Cuban advisers. The practice had begun in 1981 when the new Sandinista government began to move the Miskitia out of Zelaya; it was basically an effort to relocate and thus gain control of a fiercely independent, rebellious tribe. The rotting remains of those who refused to cooperate were left in plain view, as a warning to others.

Terrell communicated on an almost daily basis with Tegucigalpa, using a powerful 1,000-watt Harris radio that had been given to the FLN Contras to the CIA. At his request, his messages were then relayed to Washington.

In November 1984, still in Honduras, Terrell and his American force began training FDN Contra special troops for a new mission. Without bothering to explain that the idea had been given to him by the CIA, Jack had proposed to CMA and the Contras that a terrorist strike on Managua, the capital of Nicaragua, could turn the war around. While they were at it, they would assassinate Tomás Borge.

The Contras and CMA both agreed.

But then, in early December, a series of newspaper articles was published in the Memphis Commercial Appeal. The articles, written by a reporter named Bill Thomas who had visited the Contra camp at Las Vegas, Honduras, exposed CMA's plan to use supposedly neutral Honduras as a staging area for their clandestine penetrations into Nicaragua. Posey had talked. In his simpleminded way he thought it would give good publicity to CMA and help them find more recruits.

The publicity did not offer any details of Pegasus itself, but it did compromise the Las Vegas training site. And it angered the Honduran government in Tegucigalpa as well as those who pulled the strings at Langley and in the White House. Under direct orders from Washington (Enrique Bermudez admitted this to Jack), the Tegucigalpa government deported Jack and his dozen American comrades who had been allowed into Honduras to participate in the training.

The dozen Americans, discouraged by the setback and the slowness of the pace in Central America, returned to the States.

But his FDN Contra pals convinced the thin American "colonel" to stay. There was still work to be done. He had only to bide his time. They arranged for him to go underground in Honduras, putting him up in comfort at Cockson's Hole, a fishing resort on the Caribbean island of Roatán. This was for his safekeeping, they said. Jack didn't object. He had things to do.

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During his stay on Roatán he began to write a journal about his Central American experience. He kept that journal until his final exodus from Central America four months later.

He was on Roatán for ten days, and then he left, flying from Tegucigalpa back to Miami. He was still a believer. It was time for him to reorganize his funding sources and march forward with his plan.

3.

In order to understand Jack Terrell's options and his ultimate decision, you need to know the players in the Central American game...

The so-called Contras---contrary to the kind of over-simplifications offered in President Reagan's March 1986 speech to the American nation---are far from a homogenous and unified force.

Of the three main Contra groups, only the FDN (the National Democratic Force) is groomed and completely funded by the CIA.

Duane Clarridge, the CIA official in charge of military and paramilitary activities in Nicaragua from 1981 through 1984, created the FDN with an initial $80 million in covert Company funds. Jack Terrell has recently seen secret U.S. government documents---shown to him by the FBI and U.S. Attorneys from Miami, who are currently (April 1986) debriefing him in New Orleans---which indicate the FDN car account for only 20% of the $100 million they have thus far received in U.S. aid. Federal agents now investigating the FDN/CIA web tell Terrell they suspect much of these covert funds have been laundered through U.S. banks and used to finance cocaine traffic from Tegus (pronounced Tay-goose: the name used by old Central America hands for tongue-twisting Tegucigalpa) and Managua to Miami and Galveston, Texas.

Clarridge, known to the Contras as "Dewey Moroni," used blank check diplomacy to organize the FDN with a core group of 200 former Somosita national guardsmen.

The brutality of Somosa's National Guard was the principal reason that President Carter backed the Sandinista overthrow of the dictator's government in 1979.

Today President Reagan denies that Somosa's old National Guard gang is running the FDN Contras. Yet FDN commanders are named after their old National Guard serial numbers. Enrique Bermudez, the FDN Supreme Military Commander, is called Commander 380.

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Eden Pastora is one of the men who fought for the Sandinistas in the overthrow of Somosa. Later, after he saw Cuban and Soviet influence sweep in behind the new government of Nicaragua's new President Daniel Ortega, Pastora became disillusioned and organized a Contra force in neighboring Costa Rica. They are called the ARDE Contras. Pastora labeled himself "Commander Zero," as a tongue-in-cheek jab at the former National Guard serial- number commanders heading the FDN.

The FDN consider Eden Pastora an enemy. The U.S. government grants him grudging approval ... and few other benefits.

The third main Contra force are the Misura Indians. They are based roughly 100 miles east of the FDN force in a dry, scrubby border area of Honduras called the Rusrus.

The Misura became an army through classic revolutionist means. At first they fought the Sandinistas with machetes, until they could capture enough rifles to arm a patrol, then a company, then a battalion. The Misura Contra army was born from a raw hatred for the new government---for the old government, too, it should be noted---and a simple struggle to survive.

The Misura---often called "the niggers of Nicaragua" by both Sandinistas and FDN Contras---have suffered centuries of mistreatment from whoever was in power. Now that they have weapons and some sense of order, their chief goal is independence from any government in Managua. This makes them, at best, an uncomfortable ally for the FDN; at worst, a growing threat.

In Washington it makes them an unknown quantity ... and Washington does not like to deal with unknown quantities.

It made them more than interesting to a man like Jack Terrell, who seemed to gravitate naturally to the underdog. He came to know the Misura well.

The entire time that Jack lived and plotted among the Contras, official American aid was illegal. Congress had said so. Yet military supplies from U.S. sources constantly flowed into Honduras---at one time under the guise of state National Guard maneuvers during the Big Pine exercises---earmarked for the Contras. Several U.S. guard units visited sites such as Palmerola and conveniently left behind trucks full of guns, ammunition and heavy equipment.

What Jack Terrell found criminal, however, was the disparity in the distribution of those supplies. After Washington allowed the Honduran government to skim its 30% import duty off the top in exchange for having compromised its dubious neutrality, covert American aid was delivered only to the FDN Contras. The FDN was then obliged to distribute 20% of the aid package to the ARDE Contras in Costa Rica and 10% to the neighboring Misura Contras.

The ARDE got nothing. The Misura received barely enough to stay alive. All of the 16,000 FDN troops and their families and girlfriends were fed and clothed---yet no more

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than 2,000 FDN troops have ever fought in combat at any given time.

Five years have passed. The FDN still hangs out across the border in Honduras. They hold not a single square foot of Nicaraguan soil.

After his stay on Roatán, Jack Terrell traveled back and forth between Miami, New Orleans and Houston, hoping to gather funds for Operation Pegasus and find a new door into Nicaragua. He was bombarded with so many propositions during his five days in the States that he scarcely had time to realize what he was involved in. He was stuck on a treadmill of his own choosing and never thought to get off.

At different times during this brief odyssey he met with FDN leader Adolfo Calero (who spends a lot of time in Miami); a Texas oilman who wanted to buy Nicaraguan beans; Cuban emigré drug dealers who claimed that they wanted to become freedom fighters; freedom fighters who wanted to become drug dealers; and a CIA operative from Costa Rica who helped the Cubans in both the drug trade and in their dream of freedom fighting.

Jack was in daily contact with his CIA associate in Washington. He quickly discovered the price he would have to pay if he wanted to make friends and influence people and get Operation Pegasus off the ground. In the course of one week he was asked to assassinate Eden Pastora, capture a Caribbean island for a syndicate of wealthy Texans, turn a blind eye on the flourishing drug trade condoned by the CIA, and help exploit the Misura, the only decent group of people he had met during his time in Honduras and Nicaragua.

In Houston Jack was introduced to a man named Macc Stewart III, a plump 50-year-old alcoholic lawyer whose father had founded the Stewart Title Company with oil money. After Stewart II's death in 1974, the Princeton-bred Maco III sold his interest in the title company for $4 million. He was one of the original financial backers of CMA in Alabama.

Maco knew Nicaragua and the Misura Indians. "I love the Misura," he said. "I want to help them." When he met Jack he was looking for a man he could trust to represent him in offering the Misura $2 million in exchange for future rights to their bean, cocoa leaf and shrimp harvest in Zelaya province.

> "We were sitting in the restaurant on the top floor of the Warwick Hotel in Houston. We were by ourselves, the place was empty. That surprised me, and then Maco told me he had rented the entire restaurant so we could meet in private. I didn't believe it, it made no sense ... but no one else showed up while we were there. During our talk he repeated an odd phrase. 'If I waved my magic wand,

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> could this happen? If I waved my magic want, could you do such-and-such for me?...'
>
> "One of his projects he called 'Freedom Fighter Beans.' He had worked out a marketing plan with some people on the faculty of Texas A&M. He wanted to buy the entire Misura bean crop for ten cents a pound, then sell it in health food stores for a dollar a pound.
>
> "His benevolence, I began to realize, was exceeded only by his greed."

Maco then changed the subject and offered Jack $375,000 in cash if he could organize his force to capture or sink an old French battleship used by the Nicaraguan Navy to patrol their Atlantic coast. This was the first step, he explained, toward the establishment of the small island of Cabeza in the Miskito Kays as "a businessman's island."

Maco was raising money for the project by selling $50,000 "war bonds" to old Ivy League pals. The bonds had even been approved, he claimed, by the SEC.

The first $600,000 would go to Adolfo Calero of the FDN. Calero had promised Maco that after the Contras overthrew the Sandinistas, the new government would recognize the island of Cabeza as an independent country. The men who bought the war bonds would be rewarded with their own private Caribbean fiefdom, complete with tax advantages, no import duties and diplomatic status. They could even join the U.N. or apply for U.S. foreign aid.

Jack guardedly agreed to work with Maco, but decided the relationship would last only as long as it seemed to serve the interests of the Misura. He would exploit Maco's greed insofar as it could lead to the Misura agreeing to the use of their territory for the launching of *Pegasus*.

Jack had already decided that it was vital for the potential Misura fighting force of 5,000 men to get involved in the war. But what the Misura lacked were arms and equipment. The few Misura patrols coming back from missions inside Nicaragua would meet their replacements at the Coco River and turn over their boots and rifles to the new men. Maco Stewart's money might change all this.

The next day, at Adolfo Calero's home in Miami, Jack was present while Calero, a young CIA agent named Rob Owens, and John H[illegible], an American farmer living in Costa Rica, plotted the assassination of Eden Pastora, the Costa Rican Contra leader. Also present were Felipe Vidal Santiago, a Cuban CIA agent; Donald Lacey, a Costa Rican lawyer; and Aristides Sanchez, Secretary to the Directorate of the FDN Contras.

Jack listened while the other men discussed a previous attempt to kill Pastora during a May 1984 press conference in La Penca, Nicaragua. Pastora had escaped injury, but an exploding camera bag killed three Costa Rican journalists and seriously injured 18 others, including two Americans.

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No one had ever been arrested for that outrage, but there in Miami Jack learned the name of the assassin: Amac Galil, a Libyan terrorist, hired for the job by the CIA and the FDN. Galil had posed as a free-lance photographer from Paris, mingling with journalists in Costa Rica for weeks before planting his bag of C-4 plastic explosive at the press conference.*

Jack Terrell was asked at the Miami meeting to attempt the next assassination of Eden Pastora. The CIA agent, Rob Owens, spoke little. Adolfo Calero at one point leaned against a doorway, a cigarette hanging between his lips, and casually said, "I don't want to know how you do it, and I don't care. I just want that Costa Rican bastard dead." Rob Owens nodded his approval.

John Hull did most of the speechmaking. His 2,000-acre farm in Costa Rica on the Nicaragua border had been a staging area for CIA and Contra activity for five years. In return the CIA overlooked the Colombian and Cuban-American drug traffic that passed through his property.

Hull and Jack Terrell hammered out a workable plan for the killing of Pastora. A hand-picked squad of American volunteers and Contras, dressed in Sandinista uniforms, would kidnap Pastora, take him to a village in Nicaragua and hang him in the central plaza. The leader of the Costa Rican-based Misura, a man with the unlikely name of Brooklyn Rivers, would also be assassinated if he didn't agree to cooperate with the CIA and FDN.

Jack left the meeting a little stunned. He was unhappy with his participation and his decision. He had begun to realize that he was caught up in the tangled web of his self-created character and nom de guerre, Colonel Flaco. He didn't like these men he was working with, and for the first time he began to seriously question their motives. For the first time, too, he began to doubt the validity of his own course of action---and within 24 hours he reached a decision to tip off Eden Pastora before the attempt on his life.

> "During all this the Reagan administration was working overtime to persuade the American people that the FDN Contras were the good guys wearing the white hats, and the Sandinistas were unprincipled villains. The Company knew the truth, but they didn't care. They operated under the assumption that no one would talk about what really went on, and if anyone talked, no one who mattered would

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* This information is corroborated by an investigation conducted by two journalists, Martha Honey and Tony Avirgan, then with ABC-TV, now with Independent Television Network in London and the London _Times_. Their _La Penca Report_ was published in December 1985.

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believe it. The CIA-backed mining of the harbor at Puerto Corinto in Nicaragua, for example, came as a shock to the American public. It was a clear act of war. That was Duane Clarridge's operation. He had contracted the job through the Summa Corporation, a holding company set up by Howard Hughes. There was some bad publicity after the mining of the harbor was revealed. So Clarridge was reprimanded and transferred laterally to another post. Not busted, not even demoted."

Another operation related to the Pastora plot (also sanctioned by the Company) called for the bombing of the U.S. Embassy in San José, Costa Rica. This staged terrorist attack was meant to be carried out by American, Cuban and Colombian mercenaries, but the CIA would make sure that the Costa Rican government pointed the finger at the Sandinistas. Terrell later learned that the bomb's secondary target was the U.S. Ambassador to Costa Rica, Lewis Tambs. Tambs had just arrived in San José after serving as Ambassador to Colombia, where his pressure on the drug trade had prompted a syndicate of Colombian cocaine dealers to place a $1 million contract on his head.

Both the Pastora and Tambs assassinations were designed to provoke and justify direct U.S. military intervention against the Sandinista government of Nicaragua.

4.

When Jack Terrell returned a second time to Honduras he brought with him fifteen American volunteer mercenaries recruited by CMA in Alabama. Each man was assigned to a team of Misuras. Their first task was the reconstruction of the base camp called TEA, which had been overgrown by the surrounding forest. The TEA camp was actually a pleasant and attractive place, dotted with tall pines that shaded the huts; a fresh stream sliced through the 5-acre site and divided the crude bivouac area from the training ground.

Maco Stewart had given Jack $25,000 in cash to arrange for four American Indian chiefs from California, and their retinue, to meet with the Misura in Honduras and invest in their resistance effort. Jack knew that the expenses for this pow-wow would be less than $10,000; he began to use the balance to bring in plane loads of rice, sugar and flour from Tegus for his future army.

The Indians eventually showed up, accompanied by the irrepressible Maco.

Jack's next step was more complicated.

The Misura had accumulated a large cache of arms and munitions---most of them brand new Russian AK-47s shipped from Bulgaria, still in their crates. The Misura had amassed this armory in a series of raids on unprotected government truck convoys traveling between the Atlantic coast and Managua. They had no boots, helmets or uniforms, but they had enough small arms for an army of 10,000 men.

Jack managed to convince the FDN Contras that it was in their interest to trade some of their abundant field supplies ---sent from the U.S., of course---for the Misura surplus weaponry. But it was more difficult to convince the Misura that the swap was a fair one. They had never had a fair deal from anyone. Everyone helping hand that ever been offered them had raised false hopes and been backed by lies.

The so-called Flaco was becoming fond of the Misura. They were the underdogs here, and the only honest fighting force. All they wanted was their independence. He had provided them with food, money and know-how, even Yankee manpower ... but they still didn't quite trust him. Why should they turn over their precious stock of weapons to a gringo colonel? Jack understood.

Finally, one steamy day when the sky was white from haze and heat, a group of Misura asked Jack to take a tour of some parts of the border he hadn't yet seen.

Less than a mile from the camp the group came to a clearing. Jack noticed a small hut, actually a wooden cage. He peered closer. Sandinista prisoners were cramped together inside the hut, forced to live with their own waste.

> "They put seven prisoners on their knees next to a freshly-dug pit. Their hands were tied behind their backs. They were the ones they called the Pericuacos, the mad dogs, and the Misura were going to kill them. They were viewed as nothing but meat.
>
> "The Sandinistas had been beaten, starved, and abused. They were rancid from their long stay in that hut, which was barely five feet high.
>
> "I was given the honor of killing these men. It was a test.
>
> "If I didn't do it, someone else would. I knew that right away. They were all eager. But I was chosen.
>
> "I walked over and pulled out my Browning 9 mm 14-shot automatic. I looked down at the Sandinistas---no, I wasn't looking right at them, but actually past them; I didn't want to see their eyes---and I placed the barrel of my pistol at the base of the first man's neck. I pulled the trigger. Parts of his bone and flesh kicked back on to my arm, but I didn't notice as I moved down the line, firing again and again. I could feel the bone chips and hot blood hitting my cheeks and forehead. It

> felt as if someone was pouring warm water over me. I just kept moving and pulling the trigger. I killed all seven. I was shaking so badly I didn't know if I would be able to walk away, sit down, or fall down. I was totally wrecked...
>
> "I didn't sleep that night. There was a stain on my mind and my soul that I knew I would never wash out. I thought, is this what you wanted? Did you intend to come here and be used and become a butcher? I lay in a kind of daze in the jungle heat. I kept saying to myself, 'If you didn't do it, someone else would have...'"

The Misura now saw him as not merely a dedicated ally but a soldier. But today, Jack Terrell's voice still cracks and falters when questioned about this final test of his loyalty.

*

The exchange of supplies and weapons took place. Over the next few weeks he and his group of American volunteers continued their training in the refurbished TEA base camp. Misura troop strength and discipline was growing daily. Jack had gone on a dozen brief combat missions deep inside Nicaragua, and more were planned. Land mines were being placed on roads that the Sandinistas had always thought were safe. The Sinsin and Yulu bridges that connected the Atlantic coast with the western half of Nicaragua were being studied for demolition. The Misuras, as soldiers, proved to be clever and highly motivated.

> "I didn't want to be projected as a leader, dictator or king. I wanted to give back to these people the self-respect and dignity that had been taken from them throughout the last hundred years, but do it in a fashion that would make it seem as if they were in control of their own destiny."

Jack's temporary strategic goal was to help the Misura establish a base just inside Nicaragua at the village of Asung on the Coco River. That way, he and the Misura could operate on the southern side of the border without pressure from the FDN, the Honduran army or the U.S. government. He also hoped that the presence of a bona fide Misura base inside Nicaragua would warrant the direct U.S. aid that so far had eluded the Misura people.

Scores of villages inside Nicaragua had been scenes of slaughter by Sandinista troops in the early 1980s, and the village of Asung was one of them. Asung, in fact, had become something of a shrine, a holy burial place worth preserving just as the Sandinistas had left it. That was a key reason for Jack's having selected it as the first Misura foothold inside the country.

In 1981, under the eye of Cuban advisers, Sandinista soldiers entered Asung and the ordered the 450 villagers to collect their clothes and get in line. They were being relocated, they were told, to a protected government camp.

The village huts of Asung, which stand in rows near an overgrown airstrip, are still charred from the fires set by their former conquerors. It is unknown exactly how many villagers actually fought back, how many merely refused to relocate, and how many escaped, but the remains of 300 bodies were found scattered throughout the area.

Jack Terrell now saw how the Misura chose to retaliate.

> "During one mission inside Nicaragua [with the Misura] we came across a tiny village of maybe eight huts. We heard what sounded like a party, men laughing and screaming. When we got into the village I saw a girl---she was probably about twelve years old---tied between two trees. By then she had already been raped several times, vaginally and anally. About thirty Misura soldiers stood around her. She choked to death when one of them shoved his penis inside her mouth.
>
> "There was nothing I could do. I found out later that the girl's father had been suspected of being the Sandinista or Communist committeeman for the village. He escaped before the Misura got there, and this girl was the only one in his family they could find. So they raped her, and killed her.
>
> "That was probably the worst thing I saw during my entire time down there. It ended my romance with the Misura. I couldn't say, 'Well, that's not typical, that's just an isolated instance, no matter how horrible it was.' Because it was not an isolated instance. It was the way things were. There were no good guys left. The supply of white hats was finished."

5.

Jack Terrell's final farewell to the Guatemala-Honduras border and his ultimate disillusion with the U.S. government began in Alabama Senator Jeremiah Denton's office on Capitol Hill. Jack flew to Washington in March 1985. He met three times there with Senator Denton and Meg Hunt, the Senator's chief adviser on Central America, and Joel Lister of the State Department.

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The Misura leadership had drawn up a document giving Jack Terrell, a/k/a Colonel Flaco, authority to represent them with the U.S. government. Their new envoy was now requesting food and supplies for what he termed "the only real fighting force of Contras inside Nicaragua."

But Senator Denton argued that the Boland Amendment precluded any direct aid to the Contras. Jack laughed. He knew better.

What Denton and Lister wanted was Intelligence. Jack, while on patrol missions with the Misura, had stumbled upon a terrorist training base and a three separate Sandinista cocaine manufacturing plants in Nicaragua's Zelaya province. The training base was a mock-up of a Boeing 727 that sat in a desolate clearing in the jungle. Misuras told Jack that exercises by different groups of armed men took place at irregular intervals in and around the mock-up. Some of the groups spoke English; some spoke languages the Misura had never heard.

Jack was unwilling to relinquish the details without more control of the eventual payoff to the Misura.

At another meeting he discussed the stalemate with Lt. Col. Oliver North, an assistant to the White House Chief of Security. Actually, Jack talked to Joel Lister, who held the phone in Denton's office and relayed the conversations between Jack and Col. North so that no direct communication actually took place. "Lister didn't know of my original CIA assignment in Nicaragua," Jack says. "But North did."

Senator Denton finally agreed to ship food and supplies to the Misura in exchange for the exact coordinates of the drug factories and the terrorist training camp. In effect, Denton was willing to break the law.

But when they began to discuss the details of the guarantees, Jack balked. If he released his information, he began to realize that Denton intended to use it primarily for anti-Sandinista propaganda. He knew that the aid freeze hadn't stopped Washington from sending supplies to the FDN Contras. Why shouldn't the Misura Contras receive equal treatment?

No deal was cut. Jack left Senator Denton's office empty handed, listening to Meg Hunt's final appeal to his "patriotic duty."

By the time he returned to Tegucigalpa, the U.S. Embassy there had received a telex from the State Department demanding the exit from Honduras of all Americans. The Embassy was instructed to apply particular pressure on the Managua government to deport Colonel Flaco's volunteer American group.

Teofilo Archibald, a Creole and the Misura political director, delivered that message to Jack Terrell at his tent in the Tia camp. Jack asked Archibald to relay his message to Managua: he would resist deportation with force. He wanted to buy time in order to decide what his next move should be.

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But that night an Israeli cargo plane airlifted 40 Honduran commandos into the RusRus airstrip and then to TEA. As soon as the commandos were positioned around the tents of the Americans, a Honduran major woke Jack Terrell, instructing him that if he or any of his men stepped outside their tents carrying arms, the commandos would open fire. The major told Jack that he had 24 hours to vacate the TEA camp---then they would leave for Tegucigalpa and a final flight home to the United States.

The next morning Misura general staff officers stood with Jack at the small airfield as the Americans loaded their gear on the cargo plane. The 40 Honduran commandos stood with machine pistols at the ready. Archibald's second-in-command drew Jack to one side.

He told Jack that the Honduran commandos were surrounded by 300 Misura soldiers. All Jack and his men had to do was hit the ground, and the Misura would open fire.

Jack wisely declined. He had already agonized over the decision to leave, and he had realized that if he fought back ---even if he won---he would create two additional enemies for the Misura: Honduras and the United States. He waved goodbye and stepped aboard the plane.

In Tegucigalpa he and the other CMA volunteers were kept on the C-47 for eight hours under the tropical sun. Several of the men were sick; they were forced to urinate and defecate in the plane's cockpit. After nightfall they were transported to the basement of the U.S. Embassy and held there for a further 12 hours. The next morning their passports were taken from them and they were put on a commercial plane for Miami.

> "I felt betrayed, and I felt the Misura Contras had been betrayed as well. I was later told by my CIA friend in Washington that it was believed I had got 'out of control', I wasn't following orders, and he advised me to keep a low profile.
>
> "What they do in such cases, literally, is stamp your jacket at Langley with the words: 'OUT OF CONTROL.'
>
> "At the end I did what I thought was right, not what I was ordered to do. That's certainly true. And since that day the Misura Contras have gone down the toilet, right where the FDN wants them, while the FDN sits comfortably on its tail waiting for U.S. intervention and a personal congratulatory visit from Ronald Reagan. He'll get a surprise when he sees his beloved 'freedom fighters.' They're thugs."

Jack Terrell thought he was helping his country combat the threat of Communism spreading throughout Central America through Mexico to the borders of Texas and California. At the time he set off for Nicaragua he didn't consider himself naive

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or idealistic. He knew he was an adventurer flying under false colors, but he thought he was adventuring and plotting for a just cause.

"Since then," he says, "people have called me everything from a sonofabitch to a nut, from a communist to a right-wing Reaganite. The labels don't bother me. I have to play a mental game of ping pong to understand what happened to me, the changes I went through. At times my feeling is one of total emptiness. I just want to come out of this, somehow, with my integrity intact."

#

Jack Reynolds Terrell is currently cooperating here in the United States with the FBI, the DEA, Federal attorneys from Miami, and the Costa Rican government, all of whom are investigating a web of drug traffic, assassination attempts plotted in the United States with CIA approval, anti-neutrality violations, and stacks of conspiracy allegations involving the FDN Contras and their American supporters.

On April 5, 1986, at the request and under the aegis of Senator Kerry of Maryland, he was escorted by armed guard to a safe house near Annapolis, where further debriefing will take place and a decision made as to his testimony.

Terrell has been asked to appear on 60 Minutes, 20/20, and the Donahue Show, but so far he has turned them down. He has given in-depth interviews to the Boston Globe and the Associated Press with the understanding that the material will not be printed until he gives the go-ahead sign.

"When the right time comes, I want to tell the truth of what happened down there in Central America. That's the only way we can understand what's happening now ... and what might happen."

#

Dan Grothaus, a reporter with the Houston Post, will be aiding Jack Terrell in the writing of his first-person story. A rough draft manuscript of approximately 120,000 words exists and is being edited. The final text will be similar in length.

Grothaus will conduct further taped interviews with Jack Terrell in Maryland and/or New Orelans, and will soon take a leave of absence from the Post and travel to Honduras and Nicaragua for additional research.

A target date of September 1986 has been set for completion of the book.

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FD-302 (REV. 3-10-82)

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Partially Declassified/Released on 1/20/89
under provisions of E.O. 12356
by B. Reger, National Security Council

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 7/25/86

On July 24, 1986, at 10:50 a.m., GLENN A. ROBINETTE, [redacted] telephone [redacted] was reinterviewed at the Washington Field Office, FEDERAL BUREAU OF INVESTIGATION (FBI), by Special Agent ELLEN GLASSER, Special Agent DAVID A. BEISNER, and UNITED STATES SECRET SERVICE Special Agent THOMAS A. PUSKAS:

Before any questions were asked of GLENN ROBINETTE, he asked for "three minutes to speak out." Speaking very succinctly and repeatedly stating that he felt the interview was being taped, he alluded to the idea that the FBI had targeted him as being a "plumber" for the WHITE HOUSE. He continued by saying he would not be a part of any such action and valued his professional and personal character far too much to be associated with a "plumbers unit." He further indicated that he felt uneasy as to the FBI leaking information to the media about his contact with them. He stated that he holds the FBI responsible for any leaks of information to the media concerning his contact with the FBI. ROBINETTE stated that he knows both OLIVER NORTH and RICHARD V. SECORD. He is currently working for RICHARD SECORD in regard to identifying the origin of the information which resulted in a pending civil suit against SECORD. When ROBINETTE was asked what his association with SECORD was, he replied that he had started working for SECORD a months ago. When he was asked if SECORD was paying him, ROBINETTE replied by saying he was "working for SECORD." ROBINETTE stated he had not worked for SECORD prior to accepting this case.

In his contacts with JACK TERRELL, between July 11, 1986, and July 17, 1986, ROBINETTE advised that TERRELL was convincing and does not volunteer any information. ROBINETTE opined that "there is more to TERRELL than what meets the eye." He also stated that TERRELL showed little interest in women while around him, and is surveillance conscious. As for being a potential danger to President REAGAN or other domestic officials, ROBINETTE stated that TERRELL did not appear to be a danger on the surface. However, he believed that "There is something about TERRELL that's scary." He did not see TERRELL as an explosive person and indicated that, to his knowledge, TERRELL did not carry

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KMD

Investigation on 7/24/86 at Washington, D. C. File # Washington Field [redacted]

by SAs DAVID A. BEISNER DB
ELLEN GLASSER EG EG;mye Date dictated 7/25/86

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Continuation of FD-302 of GLENN A. ROBINETTE; [redacted], On 7/24/86, Page 2

a weapon. ROBINETTE further mentioned a comment made by TERRELL that appeared scary to ROBINETTE. Under a pretext conversation about weapons, ROBINETTE asked TERRELL about obtaining a weapon for his wife. In response, TERRELL offered a suggestion and stated, "This is a rough world. There are times you need to protect yourself and your beliefs."

ROBINETTE concluded about TERRELL that there was a deeper side to TERRELL that had not been revealed. He could not say whether or not TERRELL was a possible danger to any foreign officials. He believed that TERRELL was self-serving and out for his own personal well being rather than truly supporting any specific cause, political or otherwise.

ROBINETTE ended the interview by reaffirming his original statement about his concern of the FBI thinking of him as a plumber and leaking information to the media concerning his contact with them.

ROBINETTE stated he would advise the FBI in the event that he planned to continue his private investigation by recontacting TERRELL.

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FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 7/25/86

On July 17, 1986, at approximately 3:00 p.m., GLENN A. ROBINETTE, [redacted] contacted the undersigned Special Agent, FEDERAL BUREAU OF INVESTIGATION (FBI) at the Washington Field Office and furnished the following information:

ROBINETTE stated he had completed a 1:00 p.m. meeting in which he met JACK TERRELL outside 731 8th Street, S. E., Washington, D. C., and ate lunch with him. He queried the undersigned Agent about whether he was being followed by surveillance units.

ROBINETTE stated that he believed TERRELL did not present a threat to President RONALD REAGAN. TERRELL appeared to have no loyalties to any outside government, except that he is sympathetic to Nicaragua issues. TERRELL reiterated, as in past meetings with ROBINETTE, that he was not opposed to United States policy per se, but was against the methods used to support the Contra program. TERRELL described MARIO CALERO as a "pin-stripe General."

TERRELL refused ROBINETTE's beeper number when offered. He also told ROBINETTE he would be available at his telephone number, 966-5873, over the weekend.

TERRELL and ROBINETTE conversed about weapons which ROBINETTE's wife could use as self-protection. TERRELL recommended a .330 pistol or mace.

ROBINETTE was requested by the writer to abstain from making further contact with TERRELL until further notice.

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Investigation on 7/17/86 at Washington, D. C. File # [redacted]

by SA ELLEN GLASS[illegible] EG:mye Date dictated 7/25/86

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FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 7/25/86

On July 22, 1986, Lieutenant Colonel OLIVER L. NORTH, Director for Political-Military Affairs and the Counterterrorism and Low Intensity Warfare Group of the NATIONAL SECURITY COUNCIL (NSC), was interviewed by the undersigned Special Agent and Assistant Special Agent in Charge of the FEDERAL BUREAU OF INVESTIGATION (FBI), Washington Field Office, at his office located in the Old Executive Office Building. After being apprised of the interviewers' identities and the purpose, NORTH furnished the following information:

NORTH stated he has never personally met JACK REYNOLDS TERRELL, but has heard about him through numerous sources. Among these sources, NORTH enumerated the following:

1) Approximately 18 months ago, Intelligence Officer for Nicaraguan Resistance, Northern Front, (First Name Unstated) [redacted] advised NORTH that TERRELL was [redacted] telling people he worked for NORTH. [redacted] told NORTH that TERRELL, known to him as "Colonel FLACO," was [redacted] in a training capacity and was purported to be brutal with the troops. NORTH advised that he recommended [redacted] go to [redacted] authorities to throw TERRELL out of the country. NORTH believed that TERRELL was thrown out [redacted] subsequent to this.

2) When NORTH was in Central America, he heard that FLACO was trying to bring guns [redacted] from Miami. Contacts advised NORTH that TERRELL was telling others he was retired from the UNITED STATES ARMY, Special Forces, and was formerly with the CENTRAL INTELLIGENCE AGENCY (CIA). NORTH stated he ran checks for both, which were negative.

3) NORTH stated TERRELL is to be a star witness in a 1986 civil suit filed in the Southern District of Florida in which a group of United States citizens are named as defendants.

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Investigation on 7/22/86 at Washington, D. C. File # [redacted]

by SA ELLEN GLASSER & ASAC DAVID G. BINNEY EG:mye Date dictated 7/25/86

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Continuation of FD-302 of OLIVER L. NORTH; [redacted] , On 7/22/86 , Page 2

4) NORTH stated that TERRELL's name had surfaced in connection with a staff investigation being conducted by Massachusetts Senator JOHN KERRY.

5) While TERRELL's name has not come up, NORTH mentioned that in March, 1986, Washington Post Managing Editor LEONARD DOWNEY received obscene calls at night in which the caller used NORTH's name. DOWNEY wrote NORTH a letter advising him that if the activity did not stop, he would prosecute. NORTH stated that he did not make the calls, wondered who did, and stated he had responded to DOWNEY's letter with a letter offering assistance.

6) TERRELL has used OLIVER NORTH's name on television interviews.

[redacted]

G

SINGLAUB can be contacted at [redacted]

NORTH stated that he is acquainted with both Retired Air Force Major General RICHARD V. SECORD and GLENN ROBINETTE. SECORD runs an import-export business, but is also a consultant to the DEPARTMENT OF DEFENSE (DOD) as a member of the Special Operations Planning and Analysis Group. NORTH advised that SECORD is named in the Florida civil suit, and another suit and hired ROBINETTE, a security investigator, to learn information about TERRELL, the key witness in both suits. NORTH stated that he was aware of ROBINETTE's investigation and has talked to both ROBINETTE and SECORD about it, but he did not initiate the investigation. NORTH has denied media allegations that SECORD works for him and reiterated this point during the interview.

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On the evening of July 17, 1986, ROBINETTE called NORTH who asked him to do a favor. NORTH had been alerted by the FBI that the FBI sought to immediately locate TERRELL and NORTH asked ROBINETTE to meet with the FBI that evening. Before meeting FBI Special Agents, ROBINETTE met with NORTH in his office, giving him copies of documents, which ROBINETTE later also furnished to the FBI.

NORTH stated he has never met a DAVID MAC MICHAEL, whom he believed is associated with lobbying on Central America and has reported on "atrocities" in the last year. NORTH heard information through contacts that MAC MICHAEL [redacted]

NORTH advised that his NSC duties center around the coordination of interagency process within the NSC and carrying out policy. He has worked extensively in the area of Central American affairs and has played a large role in the "Nicaraguan Policy problem." NORTH stated that he strongly believes in a democratic resolution of Nicaraguan issues. He described himself as an "activist." He has a staff of four, two secretaries and two assistants.

NORTH stated that neither he nor his staff are responsible for funding, arming, or administrating Contra programs. He stated that he is not involved with any covert operations being run in the United States. NORTH does travel extensively and meets openly with foreign leaders, including Nicaraguan Embassy Ambassador CARLOS TUNNERMANN. Other than NSC employees operating within the realm of their assigned duties, he stated he had no subordinates currently operating in the United States and knew of no one on his staff, to include himself, who was operating outside the scope of NORTH's jurisdiction.

On this date, NORTH furnished investigators with an original letter to him, dated June 27, 1986, from TOM POSEY, Head of the CMA.

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by B. Reger, National Security Council

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FD 302

FEDERAL BUREAU OF INVESTIGATION

1 Date of transcription 7/23/86

On July 23, 1986, Retired Major General RICHARD V. SECORD, [redacted] Mc Lean, Virginia, telephone [redacted] was interviewed at the WASHINGTON FIELD OFFICE of the FEDERAL BUREAU OF INVESTIGATION. After being apprised of the interviewing Agents identities and purpose, SECORD furnished the following information:

General SECORD stated he knew of the ongoing investigation concerning JACK TERRELL. General SECORD stated his knowledge of TERRELL stemmed from a civil suit in which the General was one of approximately thirty defendents in a RICO case. The General stated the suit accused him and his co-defendents of "wild activity" which was generated by individuals identified as "AVIRGAN" and "HONEY". General SECORD stated that DANIEL SHEEHAN, of the Christic Institute is the Attorney representing AVIRGAN and HONEY. General SECORD stated that his business is one of a fifty percent partnership with ALBERT HAKIN, which is identified as The Stanford Technology Trading Group. General SECORD described their business as a private international security organization.

General SECORD stated that he is also a member of the Special Operations and Policy Group originating with the DEPARTMENT OF DEFENSE.

([illegible])

Investigation on 7/23/86 at Washington, D.C. File [redacted]

SA ELLEN GLASSER
by SA DAVID A. BEISNER DAB:vll Date dictated 7/23/86

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FD 302a

Continuation of interview of General RICHARD V. SECORD , Page 2

General SECORD stated that JACK TERRELL is a central figure in the suit against him and ALBERT HAKIM, et. al. and General SECORD described JACK TERRELL as the "star witness" in this suit.

General SECORD stated he hired ROBINNETTE in May, 1986, to investigate backgrounds and allegations in this suit against himself and the other defendants. General SECORD stated that ROBINNETTE is on his (General SECORD's) payroll and SECORD believed ROBINNETTE had hired two retired FBI Agents to help in the investigation.

General SECORD described the allegations as being a concerted effort by JACK TERRELL and several other people, the identities of whom could be provided by ROBINNETTE. General SECORD named those people he could recall whom he thought were in collusion with JACK TERRELL. General SECORD identified a SERGIO BRULLE, a Cuban American, with a commercial business; a (FNU) GOMEZ, whom he described as a bad Cuban involved with drug running, currently living in the Dominican Republic; and a BILL KENNY, who is making statements concerning SECORD's activities abroad. General SECORD stated that ROBINNETTE could provide complete background information concerning his investigation to date.

General SECORD reiterated the information provided by a July 14, 1986, CBS news release concerning the "Maul" Aircraft (STOL aircraft which General SECORD is allegedly involved in selling to Contra groups at the behest of Lieutenant Colonel OLIVER NORTH). General SECORD also stated that there was a news conference held on Capitol Hill a couple of days after the suit was made in Miami District Court, which was conducted by Fenton Communications.

General SECORD stated that his personal attorney is a TOM GREENE, 659-2400, 1800 Massachusetts Avenue, Washington, D.C.

SECORD stated that, according to ROBINNETTE, TERRELL is a "spooky character" and ROBINNETTE had conducted an "operation" at the behest of General SECORD attempting to ingratiate himself with JACK TERRELL. ROBINNETTE met with him for a personality assessment, on the pretext of working on a novel concerning JACK TERRELL.

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FD 302a

Continuation of interview of General RICHARD V. SECORD , Page 3*

ROBINNETTE was attempting also to gain background information concerning AVIRGAN, HONEY and SHEEHAN, mentioned above. General SECORD stated that to the best of his knowledge ROBINNETTE met with JACK TERRELL three or four times and talked to him on the phone several times.

During the course of the interview General SECORD stated that he would make ROBINNETTE available to the FBI to provide full disclosure concerning his "investigation" on JACK TERRELL.

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TERRELL HAS BEEN INTERVIEWED EXTENSIVELY IN THE PAST BY THE FBI CONCERNING ALLEGED ACTIVITIES OF THE CIVILIAN MILITARY ASSISTANCE (CMA) INCLUDING SMUGGLING OF WEAPONS, AND NARCOTICS, PLOTTING THE ASSASSINATON OF THE U.S. AMBASSADOR TO COSTA RICA AND DISCUSSING BOMBING THE U.S. EMBASSY IN COSTA RICA.

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PAGE THREE DE WF 0066 S E C R E T

TERRELL ADVISED THESE PLANS WERE MADE TO IMPLICATE THE SANDINISTAS AND HE HAD OFFERRED HIS SERVICES TO THE FBI TO INFILTRATE THE SANDINISTAS. IT SHOULD BE NOTED THAT TERRELL HAS MADE NUMEROUS STATEMENTS REGARDING CENTRAL INTELLIGENCE AGENCY (CIA) TIES TO PERSONS ASSOCIATED WITH THE CMA, AS WELL AS OTHER ALLEGATIONS, THAT HAVE NOT BEEN CORROBORATED.

TERRELL WAS PLACED UNDER SURVEILLANCE 7/17/86 BY WFO AND LATER TRAVELLED ON 7/22/86 TO MIAMI, WHERE MIAMI DIVISION CURRENTLY HAS HIM UNDER SURVEILLANCE.

FOR INFORMATION OF MIAMI, WFO SUBSCRIBER CHECKS FOR CALLS PLACED FROM TERRELL'S HOTEL ROOM IN MIAMI ON THIS DATE ARE AS FOLLOWS: 202-547-3800-CENTER FOR DEVELOPMENT POLICY, 731 8TH STREET, N.W., WDC; 202-224-2742-OFFICE OF SENTATOR JOHN KERRY, WDC; AND 202-662-0618-UNLISTED.

SUMMARY OF WFO INVESTIGATION ON 7/24/86 FOLLOWS:

A REVIEW WAS MADE OF TERRELL'S 4/86 TELEPHONE BILL (NUMBER 504-522-6129) WHEN TERRELL WAS RESIDING AT 1350 BOURBON STREET, NEW ORLEANS, LA.

ON THIS DATE, DAVID C. MACMICHAEL WAS UNDER SURVEILLANCE

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PAGE FOUR DE WF 0066 SECRET

WHERE HE WAS OBSERVED AT CENTER FOR DEVELOPEMENT POLICY, 731 8TH STREET, THE NATIONAL PRESS BUILDING, WDC, AND THE NUEMB (DID NOT ENTER). HE HAS BEEN IN THE COMPANY OF AN UNIDENTIFIED WHITE FEMALE, RITA CLARK, W/F EMPLOYEE OF THE NUEMB, AND A W/M BELIEVED TO BE A WILLIAM H. MCCOY.

ON THIS DATE, WFO REINTERVIEWED GLEN V. ROBINETTE, [redacted] WHO CONFIRMED THAT HE HAD BEEN HIRED BY RETIRED AIR FORCE MAJOR GENERAL RICHARD V. SECORD TO LOOK INTO TERRELL'S ACTIVITIES. TERRELL IS BELIEVED TO BE A STAR WITNESS IN A CIVIL SUIT NAMING SECORD. ROBINETTE MENTIONED NUMEROUS TIMES HE WAS NOT INVOLVED IN ANY KIND OF "PLUMBERS UNIT" AND SHOWED GREAT CONCERN THAT INFORMATION NOT BE LEAKED TO THE MEDIA.

ALL OFFICES BE ADVISED THAT IF SUBJECT TERRELL TRAVELS TO ANY DIVISION, SURVEILLANCE IS TO BE CONTINUOUS AND SUBJECT IS TO BE ACCOMPANIED TO ANY POINT WITHIN THE UNITED STATES. COORDINATION BETWEEN DIVISIONS IS IMPERATIVE.

TERRELL IS DESCRIBED AS W/M, DOB 4/13/41, SSN 416-56-1245, 5'10" - 6'0", 165 - 175 LBS, BLUE EYES, BROWN/GRAYISH HAIR.

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(NO COPY TO ATLANTA); WASHINGTON FIELD FACSIMILE TO NEW ORLEANS, SA GARY JOHNSON, DATED JULY 22, 1986.

WASHINGTON FIELD INVESTIGATION ON JULY 22, 1986, CONSISTED OF THE FOLLOWING:

FOR INFORMATION OF ATLANTA, CAPTIONED MATTER INVOLVES INVESTIGATION OF SUBJECT IN ALLEGED ASSASSINATION ATTEMPT PLOT ON THE LIFE OF PRESIDENT RONALD REAGAN. .

ON INSTANT DATE, WASHINGTON FIELD INTERVIEWED NATIONAL SECURITY COUNCIL DIRECTOR OLIVER NORTH REGARDING HIS KNOWLEDGE OF TERRELL, GLENN ROBINETTE, AND THEIR ACTIVITIES. NORTH ADVISED THAT ROBINETTE WAS HIRED AS A PRIVATE INVESTIGATOR FOR RETIRED AIR FORCE MAJOR GENERAL RICHARD SECORD, WHO IS NAMED IN A 1986 CIVIL SUIT FILED BY TONY AVIRGAN AND MARTHA HONEY IN THE SOUTHERN DISTRICT OF FLORIDA AGAINST 30 INDIVIDUALS IN SUPPORT OF THE CONTRA PROGRAM. TERRELL IS BELIEVED TO BE A WITNESS IN THE CASE AND SECORD ALLEGEDLY HIRED ROBINETTE ~~TO TRY TO OBTAIN~~ INFORMATION ON TERRELL. NORTH STATED ~~THAT HE PLAYED NO~~ PART IN INITIATING THIS CONTACT BUT WAS AWARE ~~OF IT. NORTH PROVIDED~~ INFORMATION THAT ROBINETTE COULD ASSIST THE FEDERAL BUREAU OF IVESTIGATION (FBI IN

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LOCATING TERRELL WITHOUT HESITATION ON JULY 17, 1986, AND STATED THAT ROBINETTE HAD COME TO HIS OFFICE BEFORE BEING INTERVIEWED BY THE FBI. WHEN QUERIEDREGARDING DAVID MAC MICHAEL, NOTH ADVISED [redacted]

SHURTLY AFTER 10:00 A.M., A WASHINGTON FIELD OFFICE SPECIAL AGENT (SA), WHILE UNDER PRETEXT AT THE CENTER FOR DEVELOPMENT POLICY, OVERHEARD A RECEPTIONIST SPEAK TO "JACK" WHO WAS CALLING FROM A METRO STOP. THE RECEPTIONIST IMMEDIATELY HEREAFTER TELEPONED SOMEONE TO ADVISE THAT JACK WAS AT THE METRO AND NEEDED TO BE MET IMMEDIATELY WITH THE MONEY PACKET.

ON 12:15 P.M., TERRELL DEPARTED WASHINGTON NATIONAL AIRPORT ALONE VIA EASTERN AIRLINES, FLIGHT 175, ARRIVING MIAMI, FLORIDA, 2:23 P.M. TERRELL WAS FOLLOWED BY WASHINGTON FIELD SOG PERSONNEL AND MIAMI SO MET THE PLANE, SO THAT SURVEILLANCE CONTINUED WITHOUT BREAK. MIAMI REPORTED TO WASHINGTON FIELD CONTACT BY TERRELL IN MIAMI WITH A HILDA COUTIN. ALSO REPORTED WAS INFORMATION THAT TERRELL HAS PAID FOR FOUR DAYS LODGING AT MIAI AIRPORT MARRIOTT HOTEL.

WASHINGTON FIELD HAS FOCUSED ADDITIONAL ATTENTION TO

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DAVID C. MAC MICHAEL WHO WAS SEEN JULY 21, 1986, WITH TERRELL AND WHO VISITED THE NARAGUAN EMBASSY NUEMB) AFTER HIS CONTACTS WITH TERRELL. IDENTIFICATION IS TENTATIVE AND WASHINGTON FIELD HAS NOT LOCATED MAC MICHAEL WHO WILL, AT THAT TIME, BECOME A SURVEILLANCE TARGET.

[redacted]

SURVEILLANCE ON SAMPSON AND CORDERO IS CONTINUING. AMPSON WAS OBSERVE THIS DATE GOING WITH HIS WIFE, MIDDAY, TO A BANK. HE EXITED THE BANK WITH A LARGE BROW BAG.

J
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F.R.C.P.

[redacted]

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RECEIVING OFFICES ARE REQUESTED TO CHECK ALL REFERENCES FOR A DAVID C. MAC MICHAEL, DATE OF BIRTH, JUNE 25, 1927; AND DELPHI COMPANY, RIVERDALE, GEORGIA.

LEADS: WASHINGTON FIELD DIVISION: AT WASHINGTON, D. C:

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WILL CONTINUE EFFORTS TO LOCATE AND IDENTIFY DAVID C. MAC MICHAEL AND PLACE HIM UNDER SURVEILLANCE.

WILL INTERVIEW RICHARD SECORD REGARDING HIS KNOWLEDGE OF TERRELL.

WILL REINTERVIEW GLENN ROBINETTE REGARDING ADDITIONAL INFORMATION ON TERRELL.

WILL, AT NATIONAL AIRPORT, CONDUCT LOGICAL CHECKS TO DETERMINE IF DVID MAC MICHAEL TRAVELLED FROM 6:00 P.M. ON JULY 17, 1986, VIA ANY AIR TRAVEL ROUTE TO MIAMI.

ATLANTA DIVISION: AT RIVERDALE, GEORGIA:

ATTEMPT TO IDENTIFY DELPHI COMPANY,RIVDALE, GEORGIA, THROUGH DIRECTORY, BUSINESS, AND OTHER LOGICAL SOURCES.

AEXANDRIA DIVISIO: AT DULLES AIRPORT:

CONDUCT LOGICAL CHECKS TO DETERMINE IF MC MICHAEL TRAVELLED SINCE 6:00 P.M., JULY 21, 1986, TO PRESENT VIA ANY AIR TRAVEL ROUTE TO MIAMI (SA JESSE LOTTUS) (INFORMATION PROVIDED TELEPHONICALLY).

BALTIMORE DIVISION: AT BWI AIRPORT:

CONDUCT LOGICAL CHECKS TO DETERMINE IF MAC ICHAEL TRAVELLED SINCE 6:00 P.M., JULY 21, 1986, TO PRESENT VIA ANY AIR TRAVEL ROUTE TO MIAMI (INFORMATION PROVIDED TELEPHONICALLY).

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MIAMI DIVISION: AT MIAMI, FLORIDA:

WILL CONTINUE ITS SURVEILLANCE ON SUBJECT, TERRELL, AND KEEP OFFICE OF ORIGIN FULLY APPRISED F HIS MOVEMENTS. PROVIDE LIAISON WITH WASHINGTON FIELD SOG IN MIAMI DIVISION, AS WELL AS WASHINGTON FIELD SSA CARSON DUNBAR AND USSS KEN DONOHUE ARRIVING MIAMI EVENING ON JULY 22, 1986.

NEW ORLEANS DIVISION: AT NEW ORLEANS, LOUIIANA:

[redacted]

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TO WFO DATED 7/23/86; NO AIRTEL DATE 7/19/86.

THE FOLLOWING INVESTIGATION WAS CONDUCTED ON 7/23/86 AT WFO:

RETIRED AIR FORCE MAJOR GENERAL RICHARD V. SECORD WAS INTERVIEWED THIS DATE AND HE ADVISED HE HAD HIRED GLENN ROBINETTE FOR PURPOSES OF GETTING INFORMATION REGARDING SUBJECT TERRELL. SECORD ADVISED HE BELEIVED ROBINETTE WAS WORKING WITH 2 RETIRED FBI AGENTS, IDENTITIES UNKNOWN TO HIM. TERRELL IS BELIEVED BY SECORD TO BE STAR WITNESS IN CIVIL SUIT DESCRIBED IN REFERENCED TELETYPE.

WFO SOG RETURNED TO WFO THIS DATE.

ON THIS DATE, MARY WILLIAMS, DEPARTMENT OF JUSTICE, FARA SECTION, ADVISED THAT DOJ HAS NO RECORD FOR THE CENTER FOR DEVELOPMENT POLICY OR INTERNATIONAL CENTER FOR DEVELOPMET POLICY. WILLIAMS ADVISED THAT MENTIONED GROUP IS NOT CURRENTLY REGISTERED AS AN AGENT FOR A FOREIGN GOVERNMENT AND HAS NEVER BEEN REGISTERED AS AN AGENT FOR A FOREIGN GOVERNMENT. A FARA RECORD CHECK FOR LINDSAY MATTISON (ASSOCIATE/EMPLOYER OF TERRELL) WAS ALSO NEGATIVE.

WFO WILL RECONTACT PROFILE UNIT, QUANTICO, AND PROVIDE UPDATED BACKGROUND ON TERRELL.

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WFO LOCATED AND PLACED DAVID C. MACMICHAEL UNDER SURVEILLANCE AT 1612 20TH STREET, N.W., WDC, COUNCIL ON HEMISPHERIC AFFAIRS. MACMICHAEL ALSO OBSERVED AT 731 8TH STREET, S.E., WD, CENTER FOR DEVELOPMENT POLICY MACMICHAEL AND A UNKNOWN ASSOCIATE NOTED TO BE EXTREMELY SURVEILLANCE CONSCIOUS. IN FACT MACMICHAEL USED EVASIVE TACTICS WHICH WERE SUCCESSFUL IN HIS ELUDING SURVEILLANCE ON 5:30 P.M. THIS DATE. MACMICHAEL IDENTIFIED AS W/M, DOB 6/5/27, SSN 148-20-1527, MAY RESIDE AT 11442 ORCHARD LANE, RESTON, VA., WITH A LORETTA RHODES, DOB 11/13/51.

WFO CONDUCTING CIA CHECSK ON MACMICHAEL AS ARRANGED THROUGH 7/22/86 CONTACT WITH FBIHQ.

NEW ORLEANS BE ADVISED THAT WFO IS IN RECEIPT THIS DATE OF TERRELL CASSETTE TAPE AND TRANSCRIPT DATED 3/11/86 OF CONVERSATION BETWEEN TERRELL AND MANUEL CORDERO. (AIRTEL)

REQUEST OF FBIHQ

CONDUCT INDICES SEARCHES FOR THE FOLLOWING: 1. JACK REYNOLDS TERRELL, DOB 4/13/41; 2. WENDY LOU SCHAULL, DOB 12/30/47; 3. GLENN A. ROBINETTE, DOB 8/21/21; 4. LINDSAY MATTISON

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5. DAVID CHARLES MACMICHAEL, DOB 6/5/27; 6. CENTER FOR DEVELOPMENT POLICY, 781 8TH STREET, S.E., WDC, 418 10TH STREET, S.E., WDC.; 7. COUNCIL ON HEMISPHERIC AFFAIRS, 1612 20TH STREET, N.W., WDC; 8. LORETTA RHODES, DOB 11/13/51.

LEADS: ALEXANDRIA DIVISION: AT ALEXNADRIA, VIRGINIA

CONDUCT INDICES SEARCHES FOR ALL REFERENCES AS OUTLINED ABOVE.

ATLANTA DIVISION: AT ATLANTA, GEORGIA

PER TELCAL, MAKE DIRECTORY CHECKS FOR SUBJECT'S SISTER BARBARA TERRELL, 7560-5 TAYLOR RD., RIVERDALE, GA, TELEPHONE 478-9795. ATTEMPT TO DETERMINE WHO RESIDES AT ADDRESS AND ANY BUSINESS LINK TO DELPHI, INCORPORATED, RIVERDALE, GA, AS PRINTED ON SUBJECT'S LUGGAGE. INFORMATION OBTAINED BY WFO CHECK OF 1984 PASSPORT APPLICATION FOR TERRELL.

BALTIMORE DIVISION: AT COCKEYSVILLE, MARYLAND

CONDUCT INDICES SEARCHES AS OUTLINED ABOVE.

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INCIDENT. TERRELL WAS SEEN IN THE COMPANY OF TWO UNKNOWN FEMALES, AS YET IDENTIFIED.

LEADS HAVE BEEN SET FOR ALEXANDRIA DIVISION [redacted]

H [redacted]

USSS ADVISES THAT PRESIDENT REAGAN ATE LUNCH AT THE HOME OF VICE PRESIDENT BUSH TODAY BUT OTHERWISE HAS BEEN IN THE WHITE HOUSE COMPLEX ALL WEEKEND AND PLANS TO REMAIN THERE THROUGH MONDAY.

WFO IS IN PROCESS OF REVIEWING ELSUR AND GENERAL INDICES CHECKS. ALSO, INVESTIGAT~~ION~~ORS Gz ARE REVIEWING BACKGROUND INFORMATION TO TRACE TERRELL'S MOVEMENTS SINCE BECOMING ASSOCIATED WITH THE CIVILIAN MILITARY ASSISTANCE (CMA) IN 1984. AN INITIAL REVIEW OF MAJOR EVENTS ARE AS FOLLOWS, WITH SOURCE OF INFORMATION: 1984-TERRELL TRAVELLED TO CENTRAL AMERICA; CONTACTED CMA DIRECTOR POSEY [redacted] FD-302); 10/84 - ATTENDED FUNERAL OF TWO CMA MEMBERS; MET TOM POSEY AND RECEIVED CMA APPLICATION; MET MARIO CALERO OF THE FRENTE DEMOCRATICO NICARAGUENSE (FDN) WITH WHOM HE DISCUSSED SHIPMENT

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OF MILITARY GOODS [redacted], FD-302); APPROXIMATELY 10/22/84 - TERRELL MET WITH MARIO CALERO, TOM POSEY, AND OTHERS REGARDING CIA - FURNISHED PLAN FOR CMA WHICH INCLUDED DISCUSSIONS OF PROPOSED ASSASSINATIONS OF SEVERAL PEOPLE (302); LATE 10/84 - TERRELL TRAVELLED [redacted] MET WITH FDN MEMBERS (302); 11/84 - TERRELL TOLD POSEY TO RECRUIT CMA MEMBERS; TERRELL PAYS $10,000 FOR LODGING OF OTHERS AND IS REIMBURSED BY CIA (302); 11/19/84 - TERRELL AND FIVE OTHERS GO [redacted] PRESS COVERAGE OF CMA ASSOCIATION WITH CONTRAS RESULTS [redacted] OFFICIALS ORDERING CMA OUT. (302); 12/15/84 - TERRELL WAITS [redacted] FOR WORD~~S~~ c/c FROM CMA (302); 12/16/84 - TERRELL GOES TO NEW ORLEANS WITH POSEY (302); 12/16/84 - 12/17/84- TERRELL GOES TO MIAMI (302); 12/22-23/84 - POSEY MET LARRY SPIVEY, HOLLYWOOD PRODUCER, IN MIAMI; POSEY MEETS OLIVER NORTH (302); 12/21/84 - TERRELL MEETS JOHN HULL THROUGH ADOLFO CALERO; HULL DESCRIBED AS GC A "CIA CONTRACT ~~CONTACP~~ MAN", GC GETTING $10,000 PER MONTH FROM NSC; MEETS ROB OWENS WHO SAYS HE IS CIA; 1/1/85 - OWENS, HULL, TERRELL IN MIAMI (302); 1/4/85 - TERRELL AND OTHERS AT MEETING AT

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CALERO'S RESIDENCE WHERE ASSASSINATION OF EDEN PASTORA DISCUSSED (302); 1/6/85 - TERRELL AND JOE ADAMS [redacted] (302); 1/16/85 - TERRELL RETURNS TO MIAMI; MEETS POSEY AND DISCUSSION PASTORA ASSASSINATION ATTEMPT (302); 1/20/85 - TERRELL GOES [redacted] (302); 2/25/85 - TERRELL GOES [redacted] (302); 3/15/85 - TERRELL TOLD TO LEAVE [redacted] BY U.S. CONSUL GENERAL; GOES TO MIAMI (302); [redacted] 3/24/86 - TERRELL MEETS REPORTERS IN WASHINGTON OR NEW ORLEANS (302); 3/25/86 - TERRELL INTERVIEWED BY FBI IN NEW ORLEANS (302); [redacted] 7/11/86 - TERRELL MEETS GLEN ROBINETTE IN WASHINGTON (ROBINETTE); [redacted]

IT SHOULD BE NOTED THAT THE VAST MAJORITY OF THIS INFORMATION IS UNCORROBORATED AND IS FOR INFORMATION PURPOSES ONLY.

[redacted]

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WFO CASE AGENT IS OF THE OPINION THAT OLIVER NORTH, NATIONAL SECURITY COUNCIL SHOULD BE INTERVIEWED REGARDING HIS KNOWLEDGE OF SUBJECT.

REQUEST OF FBIHQ

CONTACT CIA FOR ROBERT OWENS (NO IDENTIFIERS EXCEPT CMA ASSOCIATION) AND JOHN HULL (NO IDENTIFIERS EXCEPT CMA ASSOCIATION) TO LEARN IF THEY HAVE AN OPERATIONAL INTEREST IN EITHER.

LEAD:

ALEXANDRIA AT ALEXANDRIA, VIRGINIA

CONDUCT CIA TRACES FOR ROBERT OWENS CCMA ASSOCIATION AND JOHN HULL (SAME).

CLASSIFIED BY: G-3; DECLASSIFY ON: OADR.

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TEXT:
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Route To

FROM: SAC, WASHINGTON FIELD OFFICE [redacted] (C-8) (P)

TO: DIRECTOR, FBI PRIORITY

ATTN: CID/TERRORISM UNIT

CID/PERSONAL CRIMES UNIT

CI-2/INTELLIGENCE DIVISION

FBI, ALEXANDRIA (INFO.) PRIORITY

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FBI, NEW ORLEANS [redacted] PRIORITY

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by B. [illegible] National Security

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JACK REYNOLDS TERRELL, AKA COLONEL FLACO; [redacted] OO:WFO

ALL MARKINGS, NOTATIONS, AND ITEMS OF INFORMATION CONTAINED IN THIS COMMUNICATION ARE CLASSIFIED "SECRET" UNLESS OTHERWISE NOTED.

[redacted]

RE WFO TEL TO FBIHQ DATED 7/19/86.

SUMMARY OF WFO INVESTIGATION ON 7/19/86 FOLLOWS:

SURVEILLANCE COVERAGE FOR SUBJECT TERRELL, CORDERY, AND SAMPSON

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CONTINUED WITHOUT INCIDENT. NO MEETS OF SIGNIFICANCE ARE TO BE REPORTED AND ATTEMPTS ARE BEING MADE TO IDENTIFY AN UNKNOWN FEMALE ACCOMPANYING TERRELL ON INSTANT DATE. LOGS ARE BEING REVIEWED FOR DEVELOPMENT OF OTHER PERTINENT ASSOCIATIONS.

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FD-302 (REV. 3-10-82)

5 Footnotes 116, 117

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FEDERAL BUREAU OF INVESTIGATION

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Date of transcription 7/25/86

On July 22, 1986, Lieutenant Colonel OLIVER L. NORTH, Director for Political-Military Affairs and the Counterterrorism and Low Intensity Warfare Group of the NATIONAL SECURITY COUNCIL (NSC), was interviewed by the undersigned Special Agent and Assistant Special Agent in Charge of the FEDERAL BUREAU OF INVESTIGATION (FBI), Washington Field Office, at his office located in the Old Executive Office Building. After being apprised of the interviewers' identities and the purpose, NORTH furnished the following information:

NORTH stated he has never personally met JACK REYNOLDS TERRELL, but has heard about him through numerous sources. Among these sources, NORTH enumerated the following:

1) Approximately 18 months ago, Intelligence Officer for Nicaraguan Resistance, Northern Front, (First Name Unstated) [redacted] advised NORTH that TERRELL was [redacted] telling people he worked for NORTH. [redacted] told NORTH that TERRELL, known to him as "Colonel FLACO," was [redacted] in a training capacity and was purported to be brutal with the troops. NORTH advised that he recommended [redacted] go to [redacted] authorities to throw TERRELL out of the country. NORTH believed that TERRELL was thrown out [redacted] subsequent to this.

2) When NORTH was in Central America, he heard that FLACO was trying to bring guns [redacted] from Miami. Contacts advised NORTH that TERRELL was telling others he was retired from the UNITED STATES ARMY, Special Forces, and was formerly with the CENTRAL INTELLIGENCE AGENCY (CIA). NORTH stated he ran checks for both, which were negative.

3) NORTH stated TERRELL is to be a star witness in a 1986 civil suit filed in the Southern District of Florida in which a group of United States citizens are named as defendants.

Partially Declassified [illegible]

4339

Investigation on 7/22/86 at Washington, D. C. File # Washington Field [redacted]

by SA ELLEN GLASSER &
ASAC DAVID G. BINNEY EG:mye

Date dictated 7/25/86

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Continuation of FD-302 of OLIVER L. NORTH; [redacted] , On 7/22/86 , Page 2

4) NORTH stated that TERRELL's name had surfaced in connection with a staff investigation being conducted by Massachusetts Senator JOHN KERRY.

5) While TERRELL's name has not come up, NORTH mentioned that in March, 1986, Washington Post Managing Editor LEONARD DOWNEY received obscene calls at night in which the caller used NORTH's name. DOWNEY wrote NORTH a letter advising him that if the activity did not stop, he would prosecute. NORTH stated that he did not make the calls, wondered who did, and stated he had responded to DOWNEY's letter with a letter offering assistance.

6) TERRELL has used OLIVER NORTH's name on television interviews.

[redacted] G

SINGLAUB can be contacted at [redacted]

NORTH stated that he is acquainted with both Retired Air Force Major General RICHARD V. SECORD and GLENN ROBINETTE. SECORD runs an import-export business, but is also a consultant to the DEPARTMENT OF DEFENSE (DOD) as a member of the Special Operations Planning and Analysis Group. NORTH advised that SECORD is named in the Florida civil suit, and another suit and hired ROBINETTE, a security investigator, to learn information about TERRELL, the key witness in both suits. NORTH stated that he was aware of ROBINETTE's investigation and has talked to both ROBINETTE and SECORD about it, but he did not initiate the investigation. NORTH has denied media allegations that SECORD works for him and reiterated this point during the interview.

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Continuation of FD-302 of OLIVER L. NOTH; [redacted], On 7/22/86, Page 3

On the evening of July 17, 1986, ROBINETTE called NORTH who asked him to do a favor. NORTH had been alerted by the FBI that the FBI sought to immediately locate TERRELL and NORTH asked ROBINETTE to meet with the FBI that evening. Before meeting FBI Special Agents, ROBINETTE met with NORTH in his office, giving him copies of documents, which ROBINETTE later also furnished to the FBI.

NORTH stated he has never met a DAVID MAC MICHAEL, whom he believed is associated with lobbying on Central America and has reported on "atrocities" in the last year. NORTH heard information through contacts that MAC MICHAEL [redacted]

NORTH advised that his NSC duties center around the coordination of interagency process within the NSC and carrying out policy. He has worked extensively in the area of Central American affairs and has played a large role in the "Nicaraguan Policy problem." NORTH stated that he strongly believes in a democratic resolution of Nicaraguan issues. He described himself as an "activist." He has a staff of four, two secretaries and two assistants.

NORTH stated that neither he nor his staff are responsible for funding, arming, or administrating Contra programs. He stated that he is not involved with any covert operations being run in the United States. NORTH does travel extensively and meets openly with foreign leaders, including Nicaraguan Embassy Ambassador CARLOS TUNNERMANN. Other than NSC employees operating within the realm of their assigned duties, he stated he had no subordinates currently operating in the United States and knew of no one on his staff, to include himself, who was operating outside the scope of NORTH's jurisdiction.

On this date, NORTH furnished investigators with an original letter to him, dated June 27, 1986, from TOM POSEY, Head of the CMA.

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SECRET

CHAPTER 6. KEEPING "USG FINGERPRINTS" OFF THE CONTRA OPERATION: 1984-1985

ch. 6 #6 ; 6-6 30

BARRY GOLDWATER, ARIZ., CHAIRMAN
DANIEL PATRICK MOYNIHAN, N.Y., VICE CHAIRMAN

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ROBERT C. BYRD, W. VA., EX OFFICIO

ROBERT R. SIMMONS, STAFF DIRECTOR
GARY J. SCHMITT, MINORITY STAFF DIRECTOR

United States Senate
SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, D.C. 20510

#84-1274

April 9, 1984

UNCLASSIFIED

[redacted] Declassified/[redacted] on 3 FEB 88
provisions of E.O. 12356
by National Security Council

The Honorable William J. Casey
Director of Central Intelligence
Central Intelligence Agency
Washington, D.C. 20505

Dear Bill:

All this past weekend, I've been trying to figure out how I can most easily tell you my feelings about the discovery of the President having approved mining some of the harbors of Central America.

It gets down to one, little, simple phrase: I am pissed off!

I understand you had briefed the House on this matter. I've heard that. Now, during the important debate we had all last week and the week before, on whether we would increase funds for the Nicaragua program, we were doing all right, until a Member of the Committee charged that the President had approved the mining. I strongly denied that because I had never heard of it. I found out the next day that the CIA had, with the written approval of the President, engaged in such mining, and the approval came in February!

Bill, this is no way to run a railroad and I find myself in a hell of a quandary. I am forced to apologize to the Members of the Intelligence Committee because I did not know the facts on this. At the same time, my counterpart in the House did know.

The President has asked us to back his foreign policy. Bill, how can we back his foreign policy when we don't know what the hell he is doing? Lebanon, yes, we all knew that he sent troops over there. But mine the harbors in Nicaragua? This is an act violating international law. It is an act of war. For the life of me, I don't see how we are going to explain it.

My simple guess is that the House is going to defeat this supplemental and we will not be in any position to put up much of an argument after we were not given the information we were entitled to receive; particularly, if my memory serves me correctly, when you briefed us on Central America just a couple of weeks ago. And the order was signed before that.

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(4959)

UNCLASSIFIED

The Honorable William J. Casey
Page Two
April 9, 1984

I don't like this. I don't like it one bit from the President or from you. I don't think we need a lot of lengthy explanations. The deed has been done and, in the future, if anything like this happens, I'm going to raise one hell of a lot of fuss about it in public.

Sincerely,

Barry

Barry Goldwater
Chairman

UNCLASSIFIED

Chapte 6, Footnote 9
(only part — not p1-3)

UNCLASSIFIED

6-9

Executive Registry
86-2571/1

L 0616

General Counsel
86-02433

ADDENDUM TO PROCEDURES GOVERNING REPORTING TO THE SENATE SELECT COMMITTEE ON INTELLIGENCE ON COVERT ACTION

1. In accordance with Paragraph 10 of the Procedures Governing Reporting to the SSCI on Covert Action, executed on June 6, 1984, the SSCI and the DCI have jointly reviewed the Procedures in order to assess their effectiveness and their impact on the ability of the Committee and the DCI to fulfill their respective responsibilities under section 501 of the National Security Act of 1947.

2. The Committee and the DCI agree that the Procedures have worked well and that they have aided the Committee and the DCI in the fulfillment of their respective responsibilities. The Committee and the DCI also agree to add the following Procedures set forth below:

-- In accordance with the covert action approval and coordination mechanisms set forth in NSDD 159, the "advisory" format will be used to convey to to the SSCI the substance of Presidential Findings, scope papers, and memoranda of notification.

-- Advisories will specifically take note of any instance in which substantial nonroutine support for a covert action operation is to be provided by an agency or element of the U.S. Government other than the agency tasked with carrying out the operation, or by a foreign government or element thereof. It is further agreed that advisories will describe the nature and scope of such support.

-- In any case in which the limited prior notice provisions of section 501(a)(1)(B) of the National Security Act are invoked, the advisory or oral notification will affirm that the President has determined that it is essential to limit prior notice. It is further agreed that in any section 501(a)(1)(B) situation, substantive notification will be provided to the Chairman and Vice Chairman of the SSCI at the earliest practicable moment, and that the Chairman and Vice Chairman will assist to the best of their abilities in facilitating secure

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notification of the Majority and Minority leaders of the Senate if they have not already been notified. It is understood that responsibility for accomplishment of the required notification rests with the Executive Branch.

-- It is understood that paragraph 6 of the Procedures, which requires that the SSCI shall be kept fully and currently informed of each covert action operation, shall include significant developments in or related to covert action operations.

-- The DCI will make every reasonable effort to inform the Committee of Presidential Findings and significant covert action activities and developments as soon as practicable.

3. In accordance with paragraph 4 of the Procedures, the DCI recognizes that significant implementing activities in military or paramilitary covert action operations are matters of special interest and concern to the Committee. It is agreed, therefore, that notification of the Committee prior to implementation will be accomplished in the following situations, even if there is no requirement for separate higher authority or Presidential approval or notification:

-- Significant military equipment actually is to be supplied for the first time in an ongoing operation, or there is a significant change in the quantity or quality of equipment provided;

-- Equipment of identifiable U.S. Government origin is initially made available in addition to or in lieu of nonattributable equipment;

-- There is any significant change involving the participation of U.S. military or civilian staff, or contractor or agent personnel, in military or paramilitary activities.

4. The DCI understands that when a covert action operation includes the provision of material assistance or training to a foreign government, element, or entity that simultaneously is receiving the same kind of U.S. material assistance or training overtly, the DCI will explain the rationale for the covert component.

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5. The DCI understands that the Committee wishes to be informed if the President ever decides to waive, change, or rescind any Executive Order provision applicable to the conduct of covert action operations.

6. The Committee and the DCI recognize that the understandings and undertakings set forth in this document are subject to the possible exceptional circumstances contemplated in section 501 of the National Security Act.

7. The Procedures Governing Reporting to the SSCI on covert action, as modified by this agreement, will remain in force until modified by mutual agreement.

Chairman, SSCI

June 10, 1986
Date

William J Casey
DCI

June 17, 1986
Date

Vice Chairman, SSCI

June 5, 1986
Date

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This document is the property of the Senate and remains under its control through the Select Committee on Intelligence. It is provided for limited purposes rel[illegible] to congressional oversight of intelligence [illegible]ities, on condition that it will not be released or otherwise disseminated without permission of the Committee. Permission is granted to provide it to the Executive Branch personnel whose official duties concern its subject matter, subject to these restrictions and controls.

Procedures Governing Reporting to the Senate Select Committee on Intelligence (SSCI) on Covert Action

The DCI and the SSCI agree that a planned intelligence activity may constitute a "significant anticipated intelligence activity" under section 501 of the National Security Act of 1947 (the "Intelligence Oversight Act of 1980") even if the planned activity is part of an ongoing covert action operation within the scope of an existing Presidential Finding pursuant to the Hughes-Ryan Amendment (22 U.S.C. 2422). The DCI and the SSCI further agree that they may better discharge their respective responsibilities under the Oversight Act by reaching a clearer understanding concerning reporting of covert action activity. To this end the DCI and the SSCI make the following representations and undertakings, subject to the possible exceptional circumstances contemplated in the Intelligence Oversight Act:

1. In addition to providing the SSCI with the text of new Presidential Findings concerning covert action, the DCI will provide the SSCI with the contents of the accompanying scope paper following approval of the Finding. The contents of the scope paper will be provided in writing unless the SSCI and the DCI agree that an oral presentation would be preferable. Any subsequent modification to the scope paper will be provided to the SSCI.

2. The DCI also will inform the SSCI of any other planned covert action activities for which higher authority or Presidential approval has been provided, including, but not limited to, approvals of any activity which would substantially change the scope of an ongoing covert action operation.

3. Notification of the above decisions will be provided to the SSCI as soon as practicable and prior to implementation of the actual activity.

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4. The DCI and the SSCI recognize that an activity planned to be carried out in connection with an ongoing cove[illegible]tion operation may be of such a nature that the Comm[illegible] will desire notification of the activity prior to impl[illegible]ntation, even if the activity does not require separate higher authority or Presidential approval. The SSCI will, in connection with each ongoing covert action operation, communicate to the DCI the kinds of activities (in addition to those described in Paragraphs 1 and 2) that it would consider to fall in this category. The DCI will independently take steps to ensure that the SSCI is also advised of activities that the DCI reasonably believes fall in this category.

5. When briefing the SSCI on a new Presidential Finding or on any activity described in paragraphs 2 or 4, the presentation should include a discussion of all important elements of the activity, including operational and political risks, possible repercussions under treaty obligations or agreements, and any special issues raised under U.S. law.

6. To keep the SSCI fully and currently informed on the progress and status of each covert action operation, the DCI will provide to the SSCI: (A) a comprehensive annual briefing on all covert action operations: and (B) regular information on implementation of each ongoing operation, with emphasis on aspects in which the SSCI has indicated particular interest.

7. The DCI and the SSCI agree that the above procedures reflect the fact that covert action activities are of particular sensitivity, and it is imperative that every effort be made to prevent their unauthorized disclosure. The SSCI will protect the information provided pursuant to these notification procedures in accordance with the procedures set forth in S.Res. 400, and with special regard for the extreme sensitivity of these activities. It is further recognized that public reference to covert action activities raises serious problems for the United States abroad, and, therefore, such references by either the Executive or Legislative Branches are inappropriate. It is also recognized that the compromise of classified information concerning covert activities does not automatically declassify such information. The appearance of references to such activities in the public media does not constitute authorization to discuss such activities. The DCI and the SSCI recognize that the long established policy of the U.S. Government is not to comment publicly on classified intelligence activities.

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Executive Registry 7514

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8. The DCI will establish mechanisms to assure that the SSCI is informed of planned activities as provided by paragraphs 1 through 4, and that the Committee is fully and curren[illegible]formed as provided by paragraph 6. The DCI will descr[illegible] mechanisms to the SSCI.

9. The SSCI, in consultation with the DCI when appropriate, will review and, if necessary, refine the mechanisms which enable it to carry out its responsibilities under the Intelligence Oversight Act.

10. The DCI and the SSCI will jointly review these procedures no later than one year after they become operative, in order to assess their effectiveness and their impact on the ability of the DCI and the Committee to fulfill their respective responsibilities.

Barry Goldwater
Chairman, SSCI

06 JUN 1984
Date

William J Casey
DCI

06 JUN 1984
Date

Vice Chairman, SSCI

06 JUN 1984
Date

UNCLASSIFIED

Executive Registry 7515

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6-13

Chapter 6 Footnote 13

UNCLASSIFIED

N 16907

ROUTING

To	Name and Address	Date	Initials
1	R. C. McFarlane	2/21	M
2			
3			
4			
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6			

	ACTION		FILE
	APPROVAL	XX	INFORMATION
	COMMENT		PREPARE REPLY
	CONCURRENCE		RECOMMENDATION
	DIRECT REPLY		RETURN
	DISPATCH		SIGNATURE

REMARKS:

NSC/ICS CONTROL NO. 400122

COPY NO. 1 OF 11

HANDLE VIA SYSTEM IV CHANNEL ONLY

NSC INTELLIGENCE DOCUMENT

Partially Declassified / Released on 1/20/88
under provisions of E.O. 12356
by B. Reger, National Security Council

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

NOTE [illegible]
3/2 ✓

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MEMORANDUM

UNCLASSIFIED

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400122

N 16908

February 7, 1984

~~TOP SECRET~~

SENSITIVE

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH
ALTON KEEL

SUBJECT: Additional Resources for our Anti-Sandinista Program

Based on your guidance at our meeting this morning, we have prepared a memo from you to the President (Tab I) asking him to send a memo (Tab A) to those most concerned with this issue. Your memo provides straightforward background on the resource requirements and cites the need for a concerted effort in order to achieve success.

Today's events regarding the situation in Lebanon make the points in your memo--and subsequent action--even more imperative. If this program founders for lack of funds, we may very likely suffer a major foreign policy reversal with repercussions well beyond Central America. [redacted]

Please note that Dr. Kissinger, in private meetings today with Speaker-O'Neill and HPSCI Chairman Boland, defended this program most eloquently. He believes that with a well led and cooperative effort we can carry the day on this issue. He has not yet been made aware of the magnitude of our shortfall.

Congressional resistance on this issue is formidible to the degree that prospects for success are bleak even with a concerted effort. At some point, we may have to reassess our prospects and decide whether prudence requires that we somehow stretch out FY-84 effort to avoid running out of funds.

Par...y Declassified/Released on 4/20/87
under provisions of E.O. 12356
..y B. Reger, National Security Council

4263

~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED

SENSITIVE

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Because the President's memo cites the NSDD which we have just forwarded for transmission to the coast, we should ensure that Tab I and Tab A are held until the NSDD is received. This also increases the urgency for getting a signed NSDD distributed to the principals.

16 9/19

RECOMMENDATION

That you initial and DACOM your memo to the President with Tab A attached.

Approve ✓ Disapprove ____

Attachments
    Tab I - McFarlane Memo to the President
        Tab A - Presidential Memo to State, OSD, CIA, JCS

UNCLASSIFIED

25 Jun 84 Q 0340

☐ [redacted] Offshore Bank Acct #

☐ Wire w/in 24 hrs.

- Never let agency know of amt, source, or even availability.
- No one in our govt. can be aware.
- Your organization must not be fully aware.
- Transfer w/in 24 hrs.
- Code in communications - Barnaby → [illegible]
- Accounting arrangement
- No more meetings here in complex.

[illegible]

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under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

[illegible]

[redacted]

[redacted]

4264

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6-49

JOSEPH P. ADDABBO
6TH DIST., NEW YORK

REPLY TO:
2365 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3461

DISTRICT OFFICE:
96-11 101ST AVENUE
OZONE PARK, NEW YORK 11416

Congreſs of the United States
House of Representatives
Washington, D.C. 20515

ADMINISTRATIVE ASSISTANT
DICK SEELMEYER

COMMITTEE ON
APPROPRIATIONS

SUBCOMMITTEES:
CHAIRMAN, DEFENSE
TREASURY-POST OFFICE
MILITARY CONSTRUCTION

COMMITTEE ON
SMALL BUSINESS

UNCLASSIFIED

December 11, 1984

CH 6
#49

Honorable George P. Shultz
Secretary of State
Washington, D. C. 20520

Dear Mr. Secretary:

As you are aware, the recently enacted H.J. Res. 648, making continuing appropriations for fiscal year 1985, contains a prohibition regarding assistance to tne "contras" fighting in Nicaragua. Recent reports have indicated that other countries are furnishing aid to the "contra" forces in order to keep them a viable military force exerting pressure on the Sandinistas. Of the countries identified in these reports as furnishing such aid, several are Central American neighbors of Nicaragua and are themselves recipients of U.S. foreign assistance funding. For example, El Salvador has been the recipient of increased U.S. aid since the election of President Duarte, and is identified in the reports as being one of the countries aiding the "contras". If these reports are accurate, I am concerned that countries receiving U.S. foreign assistance aid may be utilizing a portion of such aid to assist the "contras" and, in so doing, effect a rather devious contravention of the law prohibiting such aid.

I would apreciate receiving your thoughts on this issue as well as your assurance that no U.S. foreign assistance funding is being utilized to effect what amounts to "revolving door" aid to the "contras".

With best wishes,

Sincerely,

~~Partially Declassified~~ [illegible] on 1/27/88
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

Joseph P. Addabbo
Member of Congress

cc: Honorable Caspar W. Weinberger
Secretary of Defense

Honorable William J.Casey
Director of Central Intelligence

4731

United States Department of State

Washington, D.C. 20520

JAN 15 1985

UNCLASSIFIED

Dear Mr. Addabbo:

I am pleased to have the opportunity to respond to your letter of December 11 to the Secretary in which you expressed your concern that U.S. foreign assistance to Central American countries is being used to aid the anti-Sandinista forces, thereby circumventing the prohibition contained in the continuing resolution for FY 1985.

Our foreign assistance funds to Central American countries, as elsewhere, are monitored very closely to ensure that they are used for the purpose intended. In El Salvador, the management of U.S. military assistance is performed by the U.S. Military Group while the U.S. Agency for International Development (AID) mission manages economic and developmental assistance. We cannot determine or dictate how a nation expends its own resources; however, disbursement of funds and delivery of equipment through U.S. foreign assistance programs are closely supervised. To our knowledge, no U.S. foreign assistance funding or equipment provided through the Foreign Assistance Act is being diverted to the anti-Sandinista forces or a third country.

Sincerely,

W. Tapley Bennett, Jr.
Assistant Secretary
Legislative and Intergovernmental Affairs

~~Partially Declassified~~/Released on 1/22/88
under provisions of E.O. 12356
by [illegible] National Security Council

UNCLASSIFIED

The Honorable
Joseph P. Addabbo,
House of Representatives.

4732

THE SECRETARY OF DEFENSE
WASHINGTON, THE DISTRICT OF COLUMBIA

24 JAN 1985

UNCLASSIFIED

Honorable Joseph P. Addabbo
Chairman, Subcommittee on Defense
Committee on Appropriations
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

Thank you for forwarding a copy of your letter to Secretary Shultz regarding the possibility that United States foreign assistance could be diverted to aid Anti-Sandinista forces constituting a circumvention of the prohibition of such aid contained in the Continuing Resolution of Fiscal Year 1985.

United States military groups are charged with managing the military assistance programs in-country and the delivery of equipment resulting from these programs is closely monitored. While each nation's sovereign interests determine how they expend their own funds, to the best of our knowledge no U.S. equipment provided through the Foreign Assistance or Arms Export Control Acts is being diverted to Anti-Sandinista forces.

Hopefully, this information meets your concerns in this matter.

Sincerely,

Cap

~~Partially Declassified~~/Released on 1/6/88
under provisions of E.O. 12356
by B. [illegible] National Security Council

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UN[illegible]

Ch 6-74

note 74

RICHARD J. DURBIN
[illegible]

[illegible]

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT
SUBCOMMITTEE ON TRANSPORTATION

Congress of the United States
House of Representatives
Washington, DC 20515

October 21, 1985

Mr. Robert W. McFarlane
National Security Adviser
National Security Council
White House
Washington, D.C. 20500

Dear Mr. McFarlane:

I am writing to inquire about recent news reports depicting the Administration's involvement in coordinating private organizations' donations to the contras in Nicaragua during the period when Congress terminated U.S. funding of the contras.

I am particularly concerned about two aspects of the recent revelations. First, early White House reports about these activities insisted that the Administration "neither encourages nor discourages" the private fundraising efforts. However, we now have evidence that these early reports were misleading and that the Administration's involvement was much more extensive than previously acknowledged. There have been reports that the President himself was aware of the existence of the plan to coordinate private donations within the Administration.

Second, I am concerned that the Administration's involvement explicitly contradicted Congress' intent that U.S. contributions to the contras cease in view of the U.S.' involvement in the mining of Nicaraguan harbors. There is evidence that private contributions, coordinated by the Administration, allowed the contras to continue their activities unabated despite the congressional funding ban.

In light of these revelations, I would appreciate an accounting from the National Security Council of its involvement in the creation of this aid network. Specifically, did your activities conflict with the terms of the Boland amendment, which explicitly prohibits U.S. covert actions for the purpose of overthrowing the Sandinista government? How extensive was the Administration's involvement in coordinating the network? Also, are there any efforts currently underway in the Administration to facilitate the sending of private donations to the contras?

I look forward to receiving your response to my questions soon.

Sincerely yours,

Dick Durbin

Richard J. Durbin
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

UNCLASSIFIED

Chapter 6 Footnote 76

From: NSRCM --CPUA
To: NSOLN --CPUA

Date and time 09/03/85 21:59:39
JOHN M. POINDEXTER

UNCLASSIFIED

N 3265

NOTE FROM: ROBERT MCFARLANE
SUBJECT: Reply to Hamilton on Ollie's Activities

I have sent you both separately a draft letter I have composed to answer Lee Hamilton's letter on Ollie's activities. One or two annotations are appropriate. The reference to "insert #1" refers to paragraph one of page two of your draft Ollie. "Insert #2" refers to the second paragraph of page two. Please do not share either this note or the separate draft with anyone. Wil will prepare a smooth version of it for me Wednesday morning. Please bring me any edits you have. Ollie, don't send me any PROFS notes about it. Many thanks.

6-76

$500 x 4

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under provisions of E.O. 12356
by B. Reger, National Security Council

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Gund EYC
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[illegible]
12/2/8[illegible]
KG

UNCLASSIFIED 6-84 Footnote 84 thru 87

N 29803

411

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

~~Partially Declassified~~/Released on 1/20/87
under provisions of E.O. 12356
by B. Reger, National Security Council

August 20, 1985

ACTION

MEMORANDUM FOR JOHN M POINDEXTER

FROM: BRENDA S. REGER

SUBJECT: Barnes Request

Before we can decide how to respond to Congressman Barnes' request for documents, we must determine whether any exist and are retrievable and, whether they are White House or NSC.

In past instances of allegations of this kind (e.g. Billy Carter and Libya, Dick Allen, etc.) we have treated the request as broadly based for all records whether NSC or White House but have maintained them as separate issues within the request. At the same time, the search should be as narrowly focused as was the request. In this case, Congressman Barnes has focused on "...documents, pertaining to any contact between Lt. Col. North and Nicaraguan rebel leaders as of...October, 1984."

There is unlikely to be a great deal of documentation such as is described but we should search the files only on that basis. Fishing expeditions in all files relating to Central America and/or Nicaragua are NOT necessary to respond to the request.

Secretariat usually does searches in response to Congressional requests, but in this case I can have Donna search NSC and Presidential Advisory files by computer here in my office and ask Intel and CMC to do the same in their files. I will brief Jim Radzinski and Rod's person on how to conduct the narrowly defined search in their files.

Working files in staff member's offices are NOT subject to this or any other kind of searches since they are "convenience files" generally made up of drafts, and/or copies of documentation in the institutional and Presidential Advisory files. I therefore see no need to search whatever "convenience files" Ollie may have in his office.

Appointment logs and/or telephone logs however have become favorite targets of such inquiries (e.g. Zbig and staff in the Billy Carter thing, Wick, Ann Burford, etc.) and we must be prepared to deal with that issue. I wasn't involved in the handling of the issue for Zbig on Billy Carter but as I recall they "created" an excerpt listing of times and dates of telecons and meetings Brezinski and other staff had from their logs rather than provide the logs themselves. (We could check Kimmitt's files and/or ask him or Brezinski if you like.)

42de

UNCLASSIFIED

N 29804

It may be in our interest to be terribly forthcoming and bury Mr. Barnes in logs of dates and/or names re meetings and telecons or perhaps to offer to do so putting him on notice that the logs give times and dates but no substance.

Before we provide any response to Barnes, however, we need to know the scope of the documentation on contacts. Once we have that, the legal issues can be addressed.

Recommendation A

That you authorize me to start a search of the Secretariat, Intel, CMC files (both Presidential and NSC) as described above:

Approve ✓-SMP Disapprove__________

Recommendation B

That for now we limit the search on the appointment and telephone logs to Ollie sampling his telephone and appointment calendars to give us a sense of what they consist of and of the potential relevance to the request.

Approve ✓SMP Disapprove__________

UNCLASSIFIED

Chapter 6, Footnote 95

#62 7636

UNCLASSIFIED

~~TOP SECRET~~

N 16885

ROUTING

To	Name and Address	Date	Initials
1	Robert McFarlane		
2			
3			
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6			

X	ACTION	FILE
	APPROVAL	INFORMATION
	COMMENT	PREPARE REPLY
	CONCURRENCE	RECOMMENDATION
	DIRECT REPLY	RETURN
	DISPATCH	SIGNATURE

REMARKS

cc: Oliver North (#2 and 3)
Ken deGraffenreid (#4)
Jim Radzimski (#5)

NSC/ICS CONTROL NO. 401214

COPY NO. 1 OF 5

6-95

HANDLE VIA SYSTEM IV CHANNEL ONLY

NSC INTELLIGENCE DOCUMENT

Partially Declassified/Released on 5 May '87
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by B. Reger, National Security Council

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

~~TOP SECRET~~

UNCLASSIFIED

~~TOP SECRET~~

The White House

System # IV

Package # 401214

UNCLASSIFIED

1403

N 16886

	SEQUENCE TO	HAS SEEN	DISPOSITION
Paul Thompson	1	PT	
Bob Kimmitt	2	K	
John Poindexter	3	C	
Tom Shull		/	
Wilma Hall	4		
Bud McFarlane	5	M	A
Bob Kimmitt			R
NSC Secretariat Jim	7		
Situation Room			

I = Information [✓ A = Action] R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other

COMMENTS

Should be seen by: ____________
(Date/Time)

UNCLASSIFIED

MEMORANDUM

UNCLASSIFIED

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-401214

Partially [redacted] Council

December 4, 1984

ACTION

N 16887

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Assistance for the Nicaraguan Resistance

In accord with prior understanding, I met on Wednesday, November 28, with Defense Attache, Embassy of the Gaston Sigur arranged the luncheon meeting at the Cosmos Club and was present throughout.

As agreed, I explained to our purpose in the meeting was to clarify questions which had been raised in Canada regarding an arms transaction destined I explained that an intermediary had advised that apparently made a decision not to proceed with the Canadian-originated arms sale. This offer of purchase included 10 SA-7 missile launchers 30 missiles, 1 training unit, and 10 tracking units.

professed to be unaware of the Canadian transaction. I advised him that the purchase was not really intended for use by but rather for the Nicaraguan Resistance Forces. Further, the intermediary had indicated that the problem appeared to be the number military officers who are graduates of the As a consequence of the apparent reluctance to proceed with the sale showing end user certificate, the Canadian arms dealer is preparing to re-initiate discussions for a similar delivery. was advised that the FDN would prefer to have the delivery as soon as possible, since the Soviet HIND-D helicopters were being assembled as we spoke.

was further advised that Adolfo Calero, the Head of the FDN, was willing to commit to a recognition once the Resistance Forces had succeeded. Indicated that he understood the message and would confer with the He observed, for the record, that [redacted] refused to become involved, in any way, in the internal affairs of another country. I indicated that we fully appreciated this position and noted that it was too bad that the Soviets, Bulgarians, and East Germans involved in Nicaragua did not feel the same way.

~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED

Later that afternoon, MGEN Jack Singlaub (U.S. Army, Retired) visited to advise of two meetings he had held early in the day regarding support for the Resistance. Singlaub passed on the following points:

N 16888

Meeting with [redacted]

-- The FDN is in urgent need of anti-aircraft weapons and other crew-served weapons ammunition (particularly 60 and 81mm mortar rounds). Units in the field are also in need of large quantities of boots and clothing since the number of ralliers has exceeded expectations by 2,000.

-- The Resistance Forces are also in urgent need of expertise in maritime operations.

-- The USG is unaware of the Singlaub mission and he is making this request based on his long friendship Because of the law restricting USG involvement, no USG official can solicit on behalf the Resistance Forces.

-- If like to help, Singlaub can arrange a meeting with Adolfo Calero. If it is necessary for a USG official to verify Calero's bona fides, this can be arranged.

Meeting with [redacted]

-- By agreement with Calero, Singlaub advised since had turned down the earlier FDN request for assistance the Resistance movement had approached

-- The Resistance still is in need of financial support, munitions, and training assistance.

-- this was a "considerably different situation" than that which he had been aware of earlier. While not committing to support, he noted to Singlaub that this new information might make a difference

[redacted]

7

N 16889

This weekend, at the request of Sec. John Lehman, I met with Mr. David Walker, a former British SAS officer who now heads two companies (KMS and SALADIN) which provide professional security services to foreign governments. Walker had been approached several months ago, prior to initiating the current financial arrangement for the FDN. In addition to the security services provided by KMS, this offshore (Jersey Islands) company also has professional military "trainers" available. Walker suggested that he would be interested in establishing an arrangement with the FDN for certain special operations expertise aimed particularly at destroying HIND helicopters. Walker quite accurately points out that the helicopters are more easily destroyed on the ground than in the air. [redacted]

Unless otherwise directed, Walker will be introduced to Calero and efforts will be made to defray the cost of Walker's operations from other than Calero's limited assets.

[redacted]

[redacted]

UNCLASSIFIED

Chapter 6 Footnote 123

MEMORANDUM

SYSTEM IV
NSC/ICS-400300

NATIONAL SECURITY COUNCIL

N 40301

March 20, 1985

SECRET

ACTION

6-123

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Timing and the Nicaraguan Resistance Vote

Attached at Tab A is the most recent version of the chronology of events aimed at securing Congressional approval for renewed support to the Nicaraguan Resistance Forces. This schedule results from the four communications/media meetings we have now had with Pat Buchanan's ad hoc working group. Please note that the schedule continues to focus on a vote at the end of April triggered by submission of the required report on or about April 15.

In addition to the events depicted on the internal chronology at Tab A, other activities in the region continue as planned--including military operations and political action. Like the chronology, these events are also timed to influence the vote:

- planned travel by Calero, Cruz, and Robelo;
- various military resupply efforts timed to support significantly increased military operations immediately after the vote (we expect major Sandinista crossborder attacks in this timeframe--today's resupply to [redacted] from [redacted] went well); and
- special operations attacks against highly visible military targets in Nicaragua.

Some of these efforts will proceed whether or not the vote occurs as planned at the end of April. For example, today Bernardario Larios, former Sandinista Defense Minister, defected to Costa Rica and is now in Panama (you were briefed on this operation during the trip). Others, however, including actions by U.S., interests groups are very sensitive to the timing. Next week the networks auction their air time for 15, 30, and 60 second commercials during prime viewing hours. These groups are prepared to commit nearly $2M for commercial air time and the

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Declassify: OADR

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production of various advertising media. If we are to retain their support, we must let them know by Friday whether or not they should proceed. To the maximum extent we have tried to prevent the kinds of errors that will cost them financially or politically. Unfortunately, some, like the Young Republicans ad, get through--this has been fixed.

It is important that a decision be taken no later than noon, Friday, March 22, if we are to proceed with the events in the checklist (Tab A) and those activities which support a vote at the end of April.

Senator Durenburger plans to make a major speech on this issue at the National Press Club next Tuesday, March 26. We should at least give him a sense of what to expect before he speaks.

You should also be aware that Director Casey has sent a personal note to Don Regan on the timing matter. We are attempting to obtain a copy for your use.

Worthlind has apparently completed an analysis on some recent polling data. It reportedly does not look good for a vote at this time.

Finally, Jim Michel reminds that in your meetings with the Central American Heads of State you told them that we would be quiescent during the early Spring, but that in April we would act. This description fits either scenario--going for the vote or a fallback option with sanctions. One way or the other, we need to have a decision.

RECOMMENDATION

That you discuss this matter with Don Regan and urge that a decision be made on timing by noon on Friday, March 22.

Approve _____ Disapprove _____

Attachments
Tab A - Chronological Event Checklist (dtd March 20, 1985)
Tab B - Young Republicans Ad

6-140

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UNCLASSIFIED

6-159

Chapter 6 Footnote 159

F2028

S001286

PATRICK J. LEAHY
VERMONT

R850147-1018
P850147

United States Senate
WASHINGTON, DC 20510

AGRICULTURE, NUTRITION, AND FORESTRY
APPROPRIATIONS
JUDICIARY
VICE CHAIRMAN
INTELLIGENCE

ACTION
is assigned to
ARA

September 9, 1985

Dear Fellow Vermonter:

The Reagan Administration's support for the contra insurgents against Nicaragua continues to harm the interests of the United States in Central America. We should be promoting peace, political stability, economic development, and the strengthening of democratic institutions there. Instead, the Administration relies on outdated oligarchies, corrupt governments, unjust social and political systems, and military power as the tools of American policy.

Last year, those of us concerned about this policy finally persuaded Congress to stop any U.S. military assistance to the contras. Unfortunately, Congress recently lost its nerve and approved the President's request for $27 million so-called "humanitarian" assistance to the rebels. This is a smokescreen. Every dollar the contras do not have to spend on subsistence, they can use to buy more arms and munitions. Also, no matter how vigilant we are, the contras probably will divert some of the aid to military purposes.

While the ban on U.S. assistance to the contras was in effect, private groups and donors in this country gave money to support the insurgency. I was disturbed by charges made in the press, and privately to me, that a military officer on the National Security Council staff was involved in channeling private funds to the contras, and even in offering them political and military advice. In my capacity as Vice Chairman of the Intelligence Committee, I immediately wrote Senator Dave Durenberger, the Chairman, that we should determine the facts of the case to see whether there has been any violation of U.S. law.

On September 5, the Chairman and I met with Robert McFarlane, President Reagan's National Security Advisor and supervisor of the NSC staff person in question. He said he had pursued these allegations, and assured us that no law had been broken. Mr. McFarlane said that the officer had frequently received calls from persons wishing to donate funds, and that he referred them to the contra leaders themselves. He insisted that the officer never solicited funds, encouraged donations or initiated contacts with potential donors. He further denied that the officer, in several personal meetings with contra leaders, both in Washington and in Central America, ever offered military advice. The officer's authorized role, Mr. McFarlane said, was to assure the contras during the time of the congressional aid cutoff of the President's continued moral support

(2)

(No page 2 included)

OUT

4267a

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LOUIS STOKES, OHIO
DAVE McCURDY, OKLAHOMA
ANTHONY C. BEILENSON, CALIFORNIA
ROBERT W. KASTENMEIER, WISCONSIN
DAN DANIEL, VIRGINIA
ROBERT A. ROE, NEW JERSEY
GEORGE E. BROWN, JR., CALIFORNIA
[illegible]EW F. McHUGH, NEW YORK
[illegible]TO J. DWYER, NEW JERSEY
[illegible]TUMP, ARIZONA
[illegible]IRELAND, FLORIDA
[illegible] J. HYDE, ILLINOIS
DICK CHENEY, WYOMING
BOB LIVINGSTON, LOUISIANA
BOB McEWEN, OHIO

THOMAS K. LATIMER, STAFF DIRECTOR
MICHAEL J. O'NEIL, CHIEF COUNSEL
STEVEN K. BERRY, ASSOCIATE COUNSEL

U.S. HOUSE OF REPRESENTATIVES
PERMANENT SELECT COMMITTEE
ON INTELLIGENCE
WASHINGTON, DC 20515

6-162

UNCLASSIFIED

September 18, 1985

Honorable Leon E. Panetta
339 Cannon House Office Building
Washington, D.C. 20515

Dear Leon:

Thank you for your letter regarding press reports that a member of the National Security Council staff engaged in activities which might have been in violation of the Boland Amendment.

The Committee looked into those allegations and met with Mr. McFarlane, the Assistant to the President for National Security Affairs. He said that the President had made clear that everyone in the Executive Branch had to comply with the Boland Amendment.

Mr. McFarlane further stated that he had conducted a thorough investigation into the allegations made about the NSC staff. He believes, based on his investigation and his conversation with the NSC staffer mentioned in the press stories that the staffer had not:

-- given military advice of any kind to the contras; or

-- solicited, accepted, transmitted or in any other way been involved with funds for the contras.

At this time, the Committee does not have any information to contradict Mr. McFarlane except several unsubstantiated news stories. The Committee will continue to monitor this situation and take such action as seems warranted.

With best wishes, I am

Sincerely yours,

Lee

Lee H. Hamilton
Chairman

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CH 6

#162

4736

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6-163
1052

CLASSIFIED AT TIME OF PUBLICATION.

6-163
2052

CLASSIFIED AT TIME OF PUBLICATION.

[redacted]

6-164

UNCLASSIFIED [redacted]

FILE: SEPHS [redacted] WHITE HOUSE COMMUNICATIONS AGENCY

PAGE 00044

N 18548

[redacted]

[redacted] 09/20/85 10:40:09

NOTE

SUBJECT: Contra Papers

Now that we have the [illegible] letter behind us you can return the Contra papers to Ollie please. Many thanks.

cc: Contra Papers

[redacted]

UNCLASSIFIED [redacted]

6/164

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4735

6-169

CLASSIFIED AT TIME OF PUBLICATION.

CHAPTER 7. KEEPING "USG FINGERPRINTS" OFF THE CONTRA OPERATION: 1986

7

7-13

TOP SECRET [redacted]
UNCLASSIFIED

18239

[redacted]

FILE: JUL86 [redacted] WHITE HOUSE COMMUNICATIONS AGENCY

PAGE 004

N

[redacted]

*** FROM: NSJMP --CPUA TO: NSOLN --CPUA 07/15/86 10:00:49
To: NSOLN --CPUA

*** Reply to note of 07/15/86 12:21 [redacted]

H +

NOTE FROM: JOHN POINDEXTER
Subject: PRIVATE BLIND COPY
NOW YOU ARE GETTING OPERATIONAL AGAIN. IT WOULD HELP IF YOU WOULD CALL ROGER [illegible] AND [illegible] AND TELL THEM TO CALL OFF THE DOGS. TELL THEM [illegible] [illegible], BUT THE [illegible] THAT I JUST WANTED TO LOWER YOUR VISIBILITY SO YOU WOULDN'T BE SUCH A GOOD TARGET FOR THE LIBS. AS [illegible] WONDER NOT WHEN YOU AND VINCE WILL [illegible] OF ELLIOTT'S GROUP. [illegible]. I DO NOT WANT YOU [illegible]

(1957)

UNCLASSIFIED
TOP SECRET [redacted]

[illegible] Ll497

Chapter 7-13b15 #~~13~~,14,15

[illegible] [redacted]
NOW YOU ARE GETTING EMOTIONAL AGAIN. IT WOULD HELP IF YOU WOULD CALL MOSES
FORTAINS AND JERRY O'LEARY AND TELL THEM TO CALL OFF THE DOGS. TELL THEM ON
DEEP BACKGROUND, OFF THE RECORD, NOT TO BE PUBLISHED THAT I JUST WANTED TO
LOWER YOUR VISIBILITY SO YOU WOULDN'T BE SUCH A GOOD TARGET FOR THE LIBS. AS
IT WAS WORKED OUT BOTH YOU AND VINCE WILL REPRESENT NSC ON ELLIOT'S GROUP.
DON'T GO INTODETAIL. I DO NOT WANT YOU TO LEAVE AND TO BE HONEST CAN NOT

UNCLASSIFIED

N 12568

FILE: JUL86 OPSLOG61 AO WHITE HOUSE COMMUNICATIONS AGENCY

AFFORD TO LET YOU GO. BY THE WAY THEY ARE MAKING A BIG MISTAKE BY CALLING YOU
A SOFT LINER. HE DISAGREES WITH STAN TURNER AND BARNIE AS MUCH AS I DO.

NEW SUBJ. I CAN SEE JACK GALVIN THIS AFTERNOON.
PRIVATE BLANK CHECK 07/15/86 14:07:02
MSG FROM: NSJMP --CPUA TO: NSOLN --CPUA
To: NSOLN --CPUA

*** Reply to note of 07/15/86 12:21
-- SECRET --

NOTE FROM: JOHN POINDEXTER
Subject: PRIVATE BLANK CHECK
LET ME KNOW HOW THE CALLS GO.
s PRIVATE BLANK CHECK 07/15/86 14:09:02
MSG FROM: NSJMP --CPUA TO: NSOLN --CPUA
To: NSOLN --CPUA OLLIE NORTH

-- SECRET --

NOTE FROM: JOHN POINDEXTER
SUBJECT: JACK GALVIN
I WILL SEE JACK GALVIN NEXT WEEK WHEN HE IS IN TOWN.

cc: NSPMT --CPUA PAUL THOMPSON NSFAG --CPUA FLORENCE GANTT
NSDPF --CPUA DONA PROCTOR

s JACK GALVIN 07/15/86 12:21:30
MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA
To: NSJMP --CPUA

UNCLASSIFIED [redacted]

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4233

JMP 5/68 4-6

UNCLASSIFIED [redacted]

*** Reply to note of 07/15/86 14:08
NOTE FROM: OLIVER NORTH
Subject: PRIVATE BLANK CHECK
Have called both Fontaine and O'Leary. Wish my access was as good as advertised, neither have yet returned my calls. Will report results as soon as contact is established. Msg passed to Gen Galvin re mtg. Many Thanks.
PRIVATE BLANK CHECK

MSG FROM: NSPRT --CPUA TO: NSJMP --CPUA 07/15/86 18:45:20
To: NSJMP --CPUA JOHN M. POINDEXTER

[illegible]

N 12569

JMP 5/88 (8)

Chapter 7 FN 13,14 & 15

4234

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by B. Reger, National Security Council

UNCLASSIFIED [redacted]

7-28 18

UNCLASSIFIED

~~TOP SECRET~~

N 17526

NOTE [redacted] WHITE HOUSE COMMUNICATIONS AGENCY

SUBJECT: Question from CBS

Last Friday I told Bob Hall that theCBS show "West 57th St." was doing a special feature on contras etc....it will probably be a blast, from what I can gather. They specifically called to ask for an "NSC comment" on the fact that somebody named Robert Hull has been boasting to friends that for a while he was receiving weekly checks from the NSC." They asked to interview you and I declined...however, I said I would have to get back to them on the Hull matter. I asked Bob about it last week -- this week he said it was bullshit..that NSC doesn't have a checking account. While that may all be true -- the show obviously has an interview with this guy and I can't just give them the "bullshit" response... Bob said he would get with you to get me some facts on just who this guy is and why he's implicating us. I know you all have been really tied up with the contra aid vote etc. but I don't like to let an entire week go by without responding to a network question. This note is just a reminder that perhaps you two could discuss and get back to me. Many thanks.

cc: [illegible] --CPUA

Question from CBS

[redacted]

UNCLASSIFIED

PAGE 00000

Partially Declassified/Released on 12 JAN 1988
under provisions of E.O. 12356
By B. Reger, National Security Council

4232

UNCLASSIFIED

Chapter 7
FN # 30

From: NSOLN --CPUA Date and time 06/27/86 12:52:41
To: NSKS --CPUA

7-30

*** Reply to note of 06/27/86 11:12
NOTE FROM: OLIVER NORTH
Subject: Question from CBS

N 4951

I have just had a chance to watch the W 57th piece. As far as I am concerned, it is the single most distorted piece of "reproting" I have ever seen. Hull does not allege that he knows me, does not confess to receiving money from me or anyone else at the NSC. The only charges made about the NSC are made by people who are in jail, on their way to jail or just out of jail. If this is supposed to be credible, then I'll eat my shirt. I have never met ANY of the accusersor had anything to do with any of them. Obviously, I know and have met several times with Eden Pastora. He does not allege any wrongdoing. I know Robert Owen - he was, up until the time it went out of business - a consultant to the State Dept. NHAO. He was not "paid off" $50k, as alleged by an anonomous accuser, he was paid a salary and expenses for services he provided in delivering humanitarian aid for the USG on a State Dept. contract. Finally, their main "witness," Mr.Terrell was not called to appear before Sen. Kerry's inquisition - apparently because people have learned that Mr. Terrell was not, as he claimed, a former Special Forces Officer, nor a CIA agent, nor a "contra combat leader."In short, neither the witnesses nor the slanderous piece that CBS produced have any credibility whatsoever.

[redacted] 6 July 1987
under provisions of E.O. 12356
by B. [illegible], National Security Council

1682

UNCLASSIFIED

N1846
111

7-52

LEE H. HAMILTON, INDIANA, CHAIRMAN

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U.S. HOUSE OF REPRESENTATIVES
PERMANENT SELECT COMMITTEE
ON INTELLIGENCE
WASHINGTON, DC 20515

ROOM H-405 U.S. CAPITOL
(202) 225-4121

August 12, 1986

CH 7
#52

Honorable Ronald D. Coleman
416 Cannon House Office Building
Washington, D.C. 20515

Dear Ron:

As you are aware, there have been numerous stories published in the press during the last year alleging that members of the National Security Council violated the Boland amendment prohibiting certain assistance to the contras fighting the government of Nicaragua. As a result of these allegations, you introduced a resolution of inquiry to compel the National Security Council to provide certain information so the Congress could make a determination as to whether or not the Boland amendment was violated during the time it was in effect.

Because of the highly classified nature of the work of the National Security Council, the resolution of inquiry was referred to the House Permanent Select Committee on Intelligence. Members of the Committee, including myself, went to the White House to examine the issues raised by the resolution with Lieutenant Colonel Oliver North, a member of the National Security Council staff and one of the principal subjects of the resolution; the President's National Security Adviser; and other members of the NSC staff, including White House counsel. In addition, the Committee also examined other classified evidence concerning the resolution.

Based on our discussions and review of the evidence provided, it is my belief that the published press allegations cannot be proven.

The resolution of inquiry was the proper vehicle by which to bring these matters to the attention of the Congress and to this Committee, and we appreciate your efforts to remove doubts about United States activities.

With best wishes, I am

Sincerely yours,

Lee H. Hamilton
Chairman

UNCLASSIFIED

4408

Chapter 1 IV-68

7-68

UNCLASSIFIED

6 Sep 86

0005 - Call from [redacted]
- Security minister plans to make public Walt Role w/ [redacted] and alleged violation of [redacted] law by Walt, Bacon, North, Secord, et al
- [redacted]

Conf
0008 - Call to Elliott Abrams [redacted] and Amb Lew Tambs [redacted]

Rm. 4166

- Tell Arias:
  - never set foot in W.H.
  - never got 5¢ of $30M promised by McPherson.

☐ Haskell: Alert Bacon

0034 - Call from Tambs

0045 - Call from [redacted]
[redacted] confirms that: just
- 4 people know about decision
- knows prev. govt. has made

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FILE: W [redacted] AS WHITE HOUSE COMMUNICATIONS AGENCY **UNCLASSIFIED** PAGE 100

N 12159

[redacted]

[redacted] 2

*** [redacted]

09/07/86 11:16:05

To: NSOLN --CPUA

*** Reply to note of 09/06/86 15:31

--SECRET--

NOTE FROM: JOHN POINDEXTER
Subject: Iran
Thanks, Ollie. You did the right thing, but let's try to keep it quiet. I think a trip by Al is a good thing and I will talk to him about making such a trap in October.
c Iran

[redacted]

*** [redacted]

[redacted]

ne

*** [redacted]

[redacted]

*** [redacted]

[redacted]

[redacted]

1594

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Ch F1 7-76

Chapter 7 FN 89

7-89

UNCLASSIFIED

[illegible]

[illegible] LOCAL [illegible]
[illegible] NOW [illegible]
[illegible] REPORTEDLY [illegible]
[illegible] SANDINISTA AA FIRE. THEY [illegible] SEE
[illegible] ABOARD [illegible]
[illegible]
[illegible] IDENTIFIED
[illegible] AND OTHER [illegible] NOW THIS
[illegible] PLANE AND WE JOIN THEM IN
EXPRESSING OUR DEEP SADNESS FOR THIS
LOSS OF BRAVE MEN. MAY THEIR
CONTRIBUTION NOT BE IN VAIN. SITUATION
REQUIRES WE DO NECESSARY DAMAGE CONTROL.
DID THIS A/C HAVE TAIL NUMBER? IF SO, IS
IT THE SAME ONE WHICH REFUELED SEVERAL
TIMES AT [redacted] PLEASE ADVISE ASAP.
IF SO, WE WILL HAVE TO TRY TO COVER
QUICKLY AS RECORD OF TAIL NUMBER COULD
LEAD TO VERY SERIOUS IMPLICATION.
REGARDS, DV.

R D 000492

4231

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00435

UNCLASSIFIED

RADIO — TV
DEFENSE DIALOG

Wednesday, October 8, 1986 (Broadcasts of October 7, 1986)

SUMMARY OF NETWORK NEWS IN THIS ISSUE 7-97+98

DEBATE BETWEEN GOVENMENTS OF U.S. AND NICARAGUA: ABC, John McWethy reported reaction from Congress was mixed; included statements by Sen. Patrick Leahy and Rep. Robert Michel. NBC, Fred Francis and Bob Kur included statements by the Secretary of State, Sec. Abrams, Sen. Leahy.

PROTEST ON STEPS OF CAPITOL: NBC, Tom Brokaw reported that the plane incident had focused new attention on the four American veterans who ae protesting US involvement in Central America.

Ch. 7
E 97, 98

UNCLASSIFIED

4409

PREPARED BY THE AIR FORCE (SAF/AA) AS EXECUTIVE AGENT FOR THE DEPARTMENT OF DEFENSE TO BRING TO THE ATTENTION OF KEY DOD PERSONNEL MATTERS WITHIN THEIR OFFICIAL RESPONSIBILITIES
Herbert J. Coleman, Chief, News Clipping & Analysis Service (SAF/AA) 695-2584

UNCLASSIFIED

ABC WORLD NEWS TONIGHT

ABC TV 7:00 p.m.

Furious Debate

MR. PETER JENNINGS: Good evening. There's a furious debate going on tonight between the governments of the United States and Nicaragua and it revolves on the question of whose cargo plane carrying ammunition to the anti-government Contras was shot down inside Nicaragua yesterday and who were the Americans on board working for? They'd apparently flown from El Salvador.

The Government of Nicaragua says it is proof of direct U.S. involvement in the war. The Reagan Administration says not true.

Our first report is from Nicaragua and here's ABC's Peter Collins.

MR. PETER COLLINS: The Sandanistas say the aircraft that went down was a Korean War vintage C- 123. Informed sources close to the Contras confirm this and say they have been using these planes to drop ammunition and supplies by parachute to their men.

They crashed in rough and rocky terrain deep inside Nicaragua that can be reached only by Sandanista Air Force forces. The Sandanistas claim that four Americans were aboard the plane. They say three were killed and one survived. He is identified as Eugene Hasenfus, a Marine Vietnam veteran from Marinettk, Wisconsin. The Sandanistas quote him as saying that he is an American advisor based in El Salvador.

The Sandanistas also say the plane was carrying more than 50,000 rounds of small arms ammunition, rocket grenades, other weapons and boots.

MR. ALEJANDRO BENDANA (Secretary General Nicaraguan Foreign Ministry): I'm not saying that the U.S. Army is involved but this is obviously a CIA operation with CIA operatives. Whether they are U.S. Army personnel or not is almost beside the point.

MR. COLLINS: Newspapers here in Managua splashed huge headlines claiming the Sandanistas have kept one American advisor. The Sandanistas claim that a surfaced air missile of the Titan base series was used to shoot down the plane.

While denying that the U.S. Government had anything to do with it, the American Embassy here today asked the Sandanistas for more details about it. The Embassy also asked permission for diplomats to see the captured crewman and for the return of the bodies of the missing men.

Peter Collins, ABC News, Managua.

MR. JOHN McWETHY: This is John McWethy in Washington. The Reagan Administration denied any connections to the downed aircraft.

SECRETARY SHULTZ: The people involved were not from

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our military, not from any U.S. Government agency, CIA included.

MR. McWETHY: Reaction from Congress was mixed. Senator Patrick Leahy, a Democrat, is on the Senate Intelligence Committee and expressed concern that the CIA, while not directly responsible, could have been involved in other ways with the private group.

SENATOR PATRICK LEAHY: What concerns me very much is that they are connected with any of the adjunct soldier of fortune type operations, those which are sort of sent out there with a wink and a shrug as a way of going around our stated foreign policy.

REP. ROBERT MICHEL: That doesn't worry me one tinker's damn. I think it's a big to-do about nothing and all the media does is play it -- give them an opportunity to make their usual diatribe over issues.

MR. McWETHY: Eugene Hasenfus, the lone survivor of the crash is shown here in parachute gear with his brother 15 years ago. Eugene is now 45, according to the Pentagon. He was a Marine for 5 years in the early 1960s, was trained as a specialist in parachute rigging of air cargo in war zones. As a Marine, however, he never left the U.S.

His brother William said Eugene, after working construction for years in Wisconsin, had this past summer switched jobs moving to Florida. Nobody knew Eugene was flying in Central America.

MR. WILLIAM HASENFUS: It come as a complete surprise because I just thought he was down in Miami working for an air freight outfit.

MR. McWETHY: The CIA has long worked with the Contra rebels but has been barred from providing guns and equipment paid for by the U.S. Government. Soon, the U.S. will provide $100 million in aid to the rebels but even so, U.S. Government employees will be prohibited from operating inside Nicaragua.

John McWethy, ABC News, the State Department.

Military/Drug Smugglers

MR. JENNINGS: There has been something of an agreement today between the Senate and the House of Representatives on the final form of an anti-drug bill. The House and Senate negotiators have agreed on the death penalty for drug related murders. They also agree the military should not be used to try to stop smugglers at the nation's borders and they also agree that the illegally seized evidence may not be used in trials.

Please note: Due to technical difficulties, two tapes of CBS Evening news did not record; we are unable to provide coverage.

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However, the program was monitored as it was broadcast; it covered essentially the same stories as those included from ABC and NBC.

NBC NIGHTLY NEWS

NBC TV 6:30 P.M.

The Plane

MR. BROKAW: The Reagan Administration denies a connection with that plane shot down in Nicaragua but many questions do remain tonight.

Nicaragua continues to insist tonight that a cargo plane shot down in that country was on a CIA mission and that the lone American survivor. Secretary of State Shultz and the CIA however, say that is not true. But we do know tonight that the transport plane apparently loaded with combat gear was shot down Sunday in Southern Nicaragua. Not too far from the border of Costa Rica. It had taken off from El Salvador. Three Americans were killed when the US built C-123 was shot down.

The Sandanistas use a Soviet built portable missile. American cameras were taken to the crash site. They were shown the lone survivor who was identified as Eugene Hasenfus, an ex-Marine who had worked for Florida air freight company. He talked about what happened.

REPORTER: Can you tell us how you came to be hear in Nicaragua?

MR. EUGENE HASENFUS: I was shot out of the sky.

REPORTER: Where did you plane that you arriving at originate?

MR. HASENFUS: El Salvador.

REPORTER: And what was it carrying?

MR. HASENFUS: We were carrying small arms.

MR. BROKAW: The Reagan Administration went to great lengths today to deny that the plane and the men in it were on an official mission for the US government. But NBC's Fred Francis, reports from the Pentagon now that government officials do know where the plane came from, who paid for it and where it was going.

SECRETARY OF STATE SHULTZ (Film): The people involved were not from our military, not from any US government agency, and CIA included.

MR. FRED FRANCIS: The Secretary of State is correct. But NBC News has learned from Administration and Contra officials that the White House has had full knowledge of this Contra cargo plane operation for more than a year. Those sources tell NBC News that he plane downed in Nicaragua was based here in El Salvador El Pango Airport. That it was piloted by American mercenaries. And financed by a foreign government friendly to US interests. NBC News has learned from administration and Contra officials that the rebels had been using this Salvadoran base to store supplies and airplanes for more than 18 months. The sources told NBC News that the aircraft a C-7 cargo plane took off Sunday night from El Pango Airport, skirted Nicaragua's Pacific Coast, crossed into Costa Rican airspace, then turned north into Nicaragua and dropped supplies to Contras near the town of Shauntlez before having engine trouble.

Most of the Contra's supplies are in large warehouses like this throughout Central America. The sources say that El Salvador is used a refueling stop, for repairs and for storing supplies, and a place for mercenaries to live.

And according to a Pentagon source Salvadoran President Duarte had condoned the gun running operation, even the he has publicly complained that Nicaragua is trying to subvert his government in much the same say. The man in charge of Central American foreign policy, Elliott Abrams, today said, God Bless the person who survived because he is fighting for freedom.

MR. ELLIOTT ABRAMS (Assistant Secretary of State): What's kept the resistance alive really has been private citizens in this country and other countries who have contributed their time. And some very, very brave people who have been willing actually then bring this material into Nicaragua.

MR. FRANCIS: What Secretary Abrams did not say is that the Americans involved in the Salvadoran cargo operation were fighting for a price. Each man received several thousand dollars per trip into Nicaragua and at least two flights were made per month from the Salvadoran base. All financed by a friendly foreign government.

Eugene Hasenfus the man captured by the Sandnistias is a 35 year old ex-Marine from Marinett, Wisconsin who apparently joined the mercenary operation this summer.

MR. WILLIAM HASENFUS (Eugene's brother): He was a typical iron worker. Good old boy, had a few beers with the guys. He liked jumping out of airplanes, you know that was about as radical as he would get.

MR. FRANCIS: There are loopholes which allow

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Hasenfus and others to work as soldiers of fortune.

SENATOR PATRICK LEAHY (D-Vermont): What concerns me very much is that they are connected with any of the soldier of fortune type operations. Those which are sort of sent out there with a wink and shrug. As a way of going around our stated foreign policy.

MR. FRANCIS: The Contras have lived off the fund raising efforts of men like retired General John Singlaub, since CIA funds were cutoff in May of 1984. And they have used the expertise in connections of men like retired General Richard Secort. But Administration sources say, this is the first time a foreign power has spent millions covertly to carry out the President's policies. Fred Francis, NBC News the Pentagon.

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MR. BROKAW: And today's developments focused fresh attention on a dramatic protest that has been underway against US policy in Central America for more than a month now. As NBC's Bob Kur reports tonight, four American Veterans are fasting and are spending part of each day on the Capitol steps to make their point.

MR. BOB KUR: For five weeks they have gathered on the Capitol steps each afternoon for a vigil at dusk. In that time Charles Liteky has consumed nothing but water and vitamins. A fast in hopes of stopping US aid to Contra rebels in Nicaragua.

During the Vietnam War Liteky was known as the hero priest. He won the Medal of Honor for saving twenty men in a jungle fire fight. But later he left the priesthood and turned against that War. And last July he left his medal at the Vietnam Memorial in Washington to protest US military involvement in Central America

Today Liteky and three other fasting Veterans, one from World War II, were invited by some Senators and Congressmen to come inside the Capitol. And today for the first time they drew a lot of attention.

SENATOR CLAIBORNE PELL (D-Rhode Island): I recall the Vietnam War, but as the individual actions of protestors, people in Vietnam itself, people who burnt themselves to death. Those are the things that turned around that policy in Vietnam.

MR. KUR: The four Veterans warned that continued US military involvement in Central America will mean another war like Vietnam, and they say they will fast until they die.

MR. CHARLES LITEKY: And

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If we cannot prevail upon your state of reason, your sense of reason and morale responsibility about this war and Nicaragua, it will happen over our dead bodies.

MR. KUR: Some call it emotional blackmail and say the tactic won't work.

MR. SAM MARULLO (Sociologist): I think the chance of them accomplishing their objective of stopping US support for the Contras in Nicaragua is close to zero.

MR. KUR: Even some of there supporters here are pleading with the Veterans to stop the fast. The tell them that they have made their point, that Congress is unlikely to vote on contra aide again until next year. Bob Kur, NBC, News at the US Capitol. ****

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CHAPTER 8. U.S.-IRAN RELATIONS AND THE HOSTAGES IN LEBANON

THIS CHAPTER DOES NOT CONTAIN FOOTNOTES.

CHAPTER 9. THE IRAN ARMS SALES: THE BEGINNING

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9 FN-1 5,8,9
G 1461

Manuchehr Ghorbanifar - aka Djafar Souzani, Ja'Far Suzani, Manouch[redacted] Manuel Pereira, Manoucheer Korbanifar, Nikol[redacted] DPOB: 9 May 1945, Tehran, Iran; also 1942, Isf[redacted] and 1938. He is an Iranian citizen. His occ[redacted]on Is [redacted]t/import businessman. Formerly a Managing Di[redacted] of Israeli-connected Star Line Shipping. He is a fo[redacted] Iranian Army Officer. He claims to have worked for SA[redacted] He is believed to be in periodic contact with U.S. int[redacted]gence service[redacted] He is a self-proclaimed whe[redacted]e his early 20's. Speaks excellent Amer[redacted]lish. He has had a Portuguese Passport in name of [redacted] Pereira issued on 3 October 1980 and valid until 3 October 1985, number 10596/80. Greek Passport number X-10723 in the name of Nikolaos Kralis issued 27 October 1981 in Stockholm and vaild until 26 October 1986. Iranian Passport Number 11652209 in name of Ja'far Suzani. As of 1982 was said to have an Iraqi passport in an Arab name. He claims to be in a position to produce genuine passports of various nationalities.

Prior to the Iranian Revolution, Ghorbanifar had been an informant for Iranian Intel and claimed to have access to many senior ranking officers in the military as well as access to iranian underworld characters of various illicit hues. As of late 1979 he was a member of Tehran Komite and was able to travel freely between Europe and Iran in connection with his import/export business. He and his brothers Ali and Reza became implicated in abortive [illegible] of 9 July 1980 which resulted in curtailment of this trips to Iran. Since that time he has been located primarily in Paris with his brother Ali but travels to Athens, Turkey and [illegible] for purpose of meeting with other exile leaders in support of his "group" in Iran. He claimed at one time to be closely affiliated with Shahpour Bakhtiar but later said he and his "group" were monitoring Bakhtiar, Madani and other exile groups.

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On 17 March 1984 Ghorbanifar met with a CIA officer [redacted] and volunteered information on the Beirut kidnapping of COS, Beirut and on a plot to assassinate presidential candidates: He said he had stopped dealing with CIA in 1981 because the U.S. Government was not going to act on intel he was giving to bring down the Khomeini regime. [redacted] On 18 March [redacted] he was polygraphed [redacted] to determine the veracity of his information. He failed the exam on significant issues of fabrication and he deliberately provided false info on the Beirut kidnapping and assassination plot. At the request of U S. Secret Service he was re-polygraphed on 12 June 1984 and again failed the exam. His reactions indicated he was practicing deception on all relevant questions concerning plot to assassinate presidential candidates.

In 1985 Ghorbanifar was cited by Cyrus Hashemi as one of the latter's influential contacts and as an official of Iranian Intelligence who was interested in negotiating a settlement of the hostage issue.

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chapter 9 FN 18 & 9

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C 1462

OUTGOING MESSAGE

[redacted]

PAGE 001

TOT: 25[redacted]JUL 84 DIRECTOR 023056

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SECRET

STAFF 25[redacted]23056

TO: [redacted]

SUBJECT: FABRICATOR NOTICE - MANUCHEHR ((GORBANIFAR)) subject of burn notice

1. MANUCHEHR ((GORBANIFAR)), AKA DJAFAR SOUZANI, JA'FAR SUZANI, MANOUCH SOUZANI, MANUEL PEREIRA, MANOCHEER KORBANIFAR, NIKOLAOS KRALIS: DPOB: 9 MAY 1945, TEHRAN, IRAN; ALSO 1942 ISFAHAN; CIRCA 1944, 1938. CIT: IRAN. OCCUPATION: EXPORT/IMPORT BUSINESSMAN. FORMERLY MANAGING DIRECTOR ISRAELI-CONNECTED STAR LINE SHIPPING. FORMER IRANIAN ARMY OFFICER. CLAIMS TO HAVE WORKED FOR SAVAK. BELIEVED TO BE IN PERIODIC CONTACT U.S. INTELLIGENCE SERVICE [redacted] DESCRIPTION: MEDIUM HEIGHT, OVERWEIGHT, DARK EYES, THINNING DARK HAIR, ROUND FACE, WELL-DRESSED. NO KNOWN HEALTH PROBLEMS. DOES NOT SMOKE. PERSONABLE, CONVINCING, FAST TALKER, DIFFICULT TO KEEP TO SUBJECT AT HAND. SELF-PROCLAIMED WHEELER-DEALER SINCE HIS EARLY 20'S. SPEAKS EXCELLENT AMERICAN-STYLE ENGLISH. FAMILY: WIFE [redacted] AFSHARI NOORI GITY. BROTHERS: (1) ALI GORBANIFAR, [redacted] BORN 21 JUNE 1953, ALSO GIVEN AS 1952 ISFAHAN, AKA ALI ((SUZANI)). MAY TRAVEL ON GREEK PASSPORT; (2) REZA ((GORBANIFAR)), NO FURTHER INFORMATION.

[redacted]

2. PASSPORTS:

A. PORTUGUESE PASSPORT NUMBER 10696/80 IN NAME OF MANUEL PEREIRA ISSUED GOVERNO CIVIL DE BRAGA ON 3 OCTOBER 1980, VALID UNTIL 3 OCTOBER 1985.

B. GREEK PASSPORT NUMBER X-10723 IN NAME OF NIKOLAOS KRALIS ISSUED 27 OCTOBER 1981 IN STOCKHOLM, VALID UNTIL 26 OCTOBER 1986.

C. IRANIAN PASSPORT NUMBER 11652209 IN NAME OF JA'FAR SUZANI. AS OF 1982 SAID TO HAVE IRAQI PASSPORT IN ARAB NAME. CLAIMS TO BE IN POSITION TO PRODUCE GENUINE PASSPORTS OF VARIOUS NATIONALITIES.

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3. ACTIVITIES:

A. PRIOR TO IRANIAN REVOLUTION SUBJECT HAD BEEN AN INFORMANT FOR IRANIAN INTEL AND CLAIMED TO HAVE ACCESS TO MANY SENIOR RANKING OFFICERS IN MILITARY AS WELL AS ACCESS TO IRANIAN UNDERWORLD CHARACTERS OF VARIOUS ILLICIT HUES. AS OF LATE 1979 HE WAS MEMBER OF TEHRAN KOMITE AND WAS ABLE TO TRAVEL FREELY BETWEEN EUROPE AND IRAN IN CONNECTION WITH HIS IMPORT/EXPORT BUSINESS. THEN HE AND HIS BROTHERS, ALI AND REZA GORBANIFAR, BECOME IMPLICATED IN ABORTIVE COUP OF 9 JULY 1980 WHICH RESULTED IN CURTAILMENT OF HIS TRIPS TO IRAN. SINCE THAT TIME HE HAS BEEN LOCATED PRIMARILY IN PARIS WITH HIS BROTHER ALI BUT TRAVELS TO ATHENS, TURKEY AND IRAN FOR PURPOSE OF MEETING WITH OTHER EXILE LEADERS IN SUPPORT OF HIS "GROUP" IN IRAN. HE CLAIMED AT ONE TIME TO BE CLOSELY AFFILIATED WITH SHAHPOUR BAKHTIAR BUT LATER SAID HE AND HIS "GROUP" WERE

[redacted]

[redacted]

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PAGE 002
TOT: 25[redacted] JUL 84 DIRECTOR 023056

MONITOR[redacted]U AND OTHER EXILE GROUPS.

FOR YO[redacted]ORMATION ONLY: [redacted] IN JANUARY 1980 [redacted] INTRODUCED HIM T[redacted] OFFICER. [redacted] THUS HE BECAME A [redacted] SOURCE ON [redacted] MATTERS UNTIL ABOUT FEBRUAR[redacted]S PERIOD HE WAS MET BY [redacted] AND PROVIDED SOME USEFUL INFORMATION ON [redacted] WELL AS PERSONALITIES IN IRAN.

[redacted] HE HAD A HISTORY OF PREDICTING EVENTS AFTER THEY HAPPENED AND WAS SEEN AS A RUMORMONGER OF OCCASIONAL USEFULNESS. IN ADDITION, THE INFORMATION COLLECTED BY HIM CONSISTENTLY LACKED SOURCING AND DETAIL NOTWITHSTANDING HIS EXCLUSIVE INTEREST IN ACQUIRING MONEY.

[redacted]

E. FOR YOUR INFORMATION ONLY: ON 17 MARCH 1984 SUBJECT MET WITH A [redacted] OFFICER [redacted] AND VOLUNTEERED INFORMATION ON THE BEIRUT KIDNAPPING OF COS, BEIRUT AND ON A PLOT TO ASSASSINATE PRESIDENTIAL CANDIDATES. HE SAID HE HAD STOPPED DEALING WITH [redacted] IN 1981 BECAUSE [redacted] WAS NOT GOING TO ACT ON INTEL HE WAS GIVING TO BRING DOWN THE [redacted] REGIME. [redacted] ON 18 MARCH 84 HE WAS [redacted] TO DETERMINE VERACITY OF HIS INFORMATION. HE FAILED EXAM ON SIGNIFICANT ISSUES OF FABRICATION AND HE DELIBERATELY PROVIDED FALSE INFO ON BEIRUT KIDNAPPING AND ASSASSINATION PLOT. AT REQUEST OF [redacted] HE WAS [redacted] ON 12 JUNE 84 AND AGAIN FAILED EXAM. HIS REACTIONS INDICATED HE WAS PRACTICING DECEPTION ON ALL RELEVANT QUESTIONS CONCERNING PLOT TO ASSASSINATE PRESIDENTIAL CANDIDATES.

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[redacted]

4. SUBJECT SHOULD BE REGARDED AS AN INTELLIGENCE FABRICATOR

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PAGE 003
TOT: 25[redacted] JUL 84 DIRECTOR 023056

AND A NUIS[redacted]APPROACHES BY SUBJECT OR HIS BROTHER ALI SHOUL[redacted]ORTED B[redacted] TAKEN SERIOUSLY.

5.[redacted] NOTIFIED [redacted] ABOVE INFORMATION[redacted]ARE ALSO BEING [redacted]

6.[redacted] ALL SECRET[redacted] DECL OADR DRV HUM 4-82.
ORIG: HE[redacted]
END OF MESSAGE [redacted] REL: CNE (). CL

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OUTGOING MESSAGE

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Date 27 March 87
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[redacted]

[redacted]

24 January 1984

DIRECTORATE OF OPERATIONS

SPOT REPORT

SUBJECT: Army Intelligence and Security Command Report on Iranian Terrorism

1. Army Intelligence and Security Command (INSCOM) has disseminated a report (IIR 2 762 0006 84) dealing with Iranian terrorist organizations, plans and activities. The information in this report is quite detailed in some respects and somewhat sensational. [redacted]

2. Information available to us indicates that the INSCOM source is an individual who has not always reported reliably in the past, yet who has occasionally provided useful information. He has been the source of other reporting on Iranian terrorism, some of which appears to have been repeated in this report. We are not certain of the precise subsourcing of this report, [redacted] believe that one of the subsources of this particular report is the youngest brother of an individual wh [redacted] was handled as a joint source [redacted] when passing us terrorist information sourced to him in December 1983 they noted that terrorist information he pro[illegible]n the past had generally proved reliable, though much o[illegible] other reporting has been suspect.

1/25/84

3. Due to our concerns about the sourcing o[illegible] INSCOM report in question, we are asking appropriate [redacted] to comment, [redacted]

(4561)

WARNING NOTICE
INTELLIGENCE SOURCES
OR METHODS INVOLVED

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Date 27 March 97
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CL BY [redacted]
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By 27 March 87
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Chapter 9 FN 3

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9-3+4

84 3863689 ASO PAGE 001
TOR: 19[redacted] MAR 84 [redacted]

S E C R E T 19[redacted] MAR 84 STAFF

CITE [redacted]

TO:

SUBJECT:

REFS: A.
B.

1. REF A NOTES THAT ACCORDING TO [redacted] [redacted] ENGINEERED THE KIDNAPPING OF BUCKLEY IN BEIRUT AND THAT [redacted]

2. [redacted] BUT BELIEVE THAT IN LIGHT OF [redacted] POOR PERFORMANCE ON [redacted] THIS CAN BE SEEN AS ANOTHER INDICATION OF HIS DECEPTION.

3. FIL[redacted] DECL OADR DRV HUM 4-82 ALL SECRET.

END OF MESSAGE SECRET

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Partially Declassified/Released on 1/25/88
under provisions of E.O. 12356
By B. Reger, National Security Council

[redacted]

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19 MAR 84

Chapter 7 FN 3

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[redacted]

PAGE 001 IN 3690367

TOR: 21[redacted]MAR 84 [redacted]

S E C R E T 21[redacted]MAR 84 STAFF

CITE

TO:

SUBJECT:

REF: A.

B.

1.

2.

[redacted]

3. [redacted] REF A AND RELATED TRAFFIC REPORTED [redacted] OF [redacted] WHO HAD VOLUNTEERED INFORMATION ABOUT POSSIBLE LOCATION OF KIDNAPPED AMERICAN DIPLOMAT WILLIAM BUCKLEY AND ABOUT AN ALLEGED IRANIAN PLOT TO ASSASSINATE U.S. PRESIDENTIAL CANDIDATES. [redacted] WAS TESTED ONCY ON THE INFORMATION ABOUT BUCKLEY BECAUSE OF THE LIMITED TIME ALLOWED TO CONDUCT [redacted] BEFORE [redacted] ONWARD TRAVEL. RESULTS SHOWED DECEPTION REGARDING SEVERAL KEY ELEMENTS OF [redacted] STORY.

[redacted]

4. FILE: [redacted] DECL OADR DRV HUM 4-82.

[redacted] COMMENT: RELAYED INFO [redacted] PER [redacted]

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Date 27 March 97
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DO 005597
03 01 (30)

Chapter 9 FN# 3

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[redacted]

[redacted]

PAGE 001
TOT: 1[redacted]MAR 84 DIRECTOR 876494

S E C R E T
STAFF 1[redacted] DI[redacted]
TO:[redacted]

SUBJECT: PLANS TO ADMINISTER[redacted]

REFS: A.[redacted]
B.
C.

DO [illegible]8981
03 [illegible]/30

1. YOUR PLAN TO ADMINISTER[redacted] (IDEN A) IS EMINENTLY DESIRABLE. WE CAN FIND NO [redacted] NO INDICATION THAT THIS HAS BEEN DONE PREVIOUSLY. [redacted]

4564

[illegible] E.O. 12[illegible] [illegible] Security Council

2. [redacted] WAS BORN 1945 IN IRAN, IN ISPAHEN. HE IS MARRIED. FROM 1979 TO EARLY JULY 1980 HE TRAVELED FREQUENTLY TO LONDON FROM IRAN AS AN EMPLOYEE OF AN IRANIAN BASED IMPORT/EXPORT FIRM. PRIOR TO THIS HE WAS MANAGING DIRECTOR OF STAR LINE SHIPPING CO., WHICH PER[redacted] BECAME A "JOINT IRANIAN/ISRAELI VENTURE" IN LATE 1980. IN LATE 1979 HE WAS SAID TO BE A MEMBER OF THE "TEHRAN KOMITE". UNTIL ABOUT FEB 1981 [redacted] WAS A [redacted] SOURCE [redacted] OVER A PERIOD OF ABOUT ONE YEAR [redacted] WAS MET BY [redacted] OFFICER [redacted] DURING THIS TIME HE PROVIDED SOME USEFUL INFORMATION [redacted] (PRIOR TO THE IRANIAN REVOLUTION, [redacted] WAS AN INFORMANT FOR [redacted] AND SAVAK AND HE RETAINS MANY CONTACTS FROM THOSE DAYS.) [redacted] WAS IMPLICATED IN THE FAILED COUP OF [redacted] 1980, AS WERE BOTH OF HIS YOUNGER BROTHERS (IDENS B AND C). THUS, HE COULD NO LONGER TRAVEL TO IRAN BUT CONTINUED TO TRAVEL FREQUENTLY TO PARIS, ATHENS, TURKEY AND IRAQ. HE CLAIMED THIS WAS FOR THE PURPOSE OF MEETING WITH OTHER EXILE LEADERS, MAKING DEALS FOR MONITARY AID AND PURCHASING SMALL WEAPONS AND EXPLOSIVES REPORTEDLY FOR HIS "GROUP" IN IRAN. [redacted] THERE WERE INDICATIONS THAT HE WAS REGARDED AS CURIOUSLY WELL INFORMED AND WELL CONNECTED.

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27 March 8[illegible]
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[redacted]

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[redacted] PAGE 002

TOT: 1[redacted] MAR 84 DIRECTOR 876494

HE HAS [redacted] THAT HE [redacted]ITORS EXILE GROUPS [redacted] PARIS BUT IS NOT AFFILIATED WITH ANY OF THEM. [redacted]

4. THOUGH SEEN MOST OFTEN AS A "RUMOR MONGER OF OCCASIONAL USEFULNESS," HE HAS BEEN THE SOURCE OF [redacted] REPORTS THAT HAVE BEEN WELL RECEIVED [redacted] THERE WELL MAY BE SOMETHING TO WHAT HE IS SAYING - BUT EXACTLY WHAT, AND WHY HE IS TELLING US NEEDS TO BE DETERMINED.

5. [redacted]

6. [redacted]

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7. [redacted]

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Chapter 7 FN 3

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[redacted]

PAGE 003

TOT: 18 [redacted] MAR 84 DIRECTOR 876494

[redacted]

E.O. FILE: [redacted]

DRV [redacted] A-82. ALL SECRET. > DECL OADR

ORIG [redacted]

RELEA [redacted] DDO/DO [redacted]

END OF [redacted] SECRET

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Date 27 March 87
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PAGE 001 IN 3655086
TOR: 17[redacted]MAR 84 [redacted]

SECRET 17[redacted]MAR 84 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR[redacted]

SUBJECT: [redacted] INFO ON ALLEGED PLAN TO ASSASSINATE PRESIDENTIAL CANDIDATES

REF: DIRECTOR 875330

1. FOLLOWING IS INFORMATION OBTAINED FROM [redacted] DURING FIRST 17 MARCH MEETING ON ALLEGED IRANIAN PLOT TO ASSASSINATE U.S. PRESIDENTIAL CANDIDATES. (NOTE: WE PAINFULLY AWARE THAT MANY QUESTIONS ON BELOW INFORMATION REMAIN TO BE ANSWERED, [redacted] WILL CONCENTRATE ON THESE QUESTIONS DURING PLANNED EVENING AND EARLY MORNING SESSIONS WITH [redacted]

2. [redacted] SOURCE FOR THIS INFORMATION IS [redacted] DESCRIBES [redacted] AS MEMBER OF ISLAMIC REPUBLICAN PARTY WHO NOW EMPLOYED AS "CLOSEST" AIDE TO [redacted] IS REPORTED BY [redacted] TO BE THE GENERAL/[redacted] COORDINATOR OF THE PLANNED ASSASSINATION OPERATION. (NO TRACES ON [redacted] OR [redacted]

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STAFF

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PAGE 002 IN 3655046
TOR: 17[redacted] MAR 84 [redacted]

3. ACCORDING TO [redacted] ARRANGEMENTS FOR INFILTRATION OF THE ASSASSINS INTO THE U.S. ARE BEING HANDLED BY [redacted]

4. [redacted] HAS ANOTHER "SOURCE", WHO HE HAS THUS FAR REFUSED TO IDENTIFY, [redacted] (COMMENT: THIS ELEMENT OF STORY BEARS STRIKING RESEMBLANCE TO SOME PREVIOUS REPORTING INVOLVING [redacted] YOUNGER BROTHER. BELIEVE IT LIKELY THAT BROTHER IS STILL LURKING IN THE BACKGROUND OF THIS WHOLE EPISODE.)

5. ACCORDING TO INFORMATION PROVIDED BY [redacted] INTENDED TARGETS OF ASSASSINATION OPERATIONS ARE BOTH DEMOCRATIC AND REPUBLICAN PRESIDENTIAL CANDIDATES. ASSASSINATION OPS PLANNED TO TAKE PLACE BETWEEN 1 AUGUST 1984 AND 6 NOVEMBER 1984. ASSASSINATION TEAM IS MADE UP OF SUICIDE MEN, WHO ARE COMMITTED TO THIS OPERATION. INTENTION IS NOT ONLY TO KILL CANDIDATES, BUT TO KILL AS MANY SENIOR OFFICIALS AND STAFF (AND GENERAL PUBLIC) AS POSSIBLE. THE ACTUAL OPERATIONS ARE INTENDED TO BE AS "CATASTROPHIC" AS POSSIBLE FOR AMERICA. TIME PERIOD FOR OPERATIONS WAS PICKED SPECIFICALLY BECAUSE CANDIDATES WILL BE MORE PUBLICLY EXPOSED, AND THEORETICALLY LESS WELL PROTECTED, DURING THE ELECTION CAMPAIGN.

6. (COMMENT: PLEASE NOTE PREVIOUSLY REPORTED COMMENT BY [redacted] THAT HE WAS UNHAPPY WITH HIS RELATIONSHIPS WITH [redacted].

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STAFF

[redacted] PAGE 003 IN 3655046
TOR: 17[redacted] MAR 84 [redacted]

[redacted] BECAUSE NEITHER GOVERNMENT EVER TOOK ACTION ON HIS INFORMATION.) HIS STATED MOTIVE FOR PROVIDING INFORMATION IS TO ASSIST WITH THE DOWNFALL OF THE KHOMEINI REGIME.\ WHILE ABOVE INFORMATION MUST BE, AND IS BEING, TAKEN VERY SERIOUSLY, IT SHOULD BE EVALUATED AND ASSESSED IN LIGHT OF [redacted] MOTIVATION.)

7. FILE: DEFER. INDEX: [redacted]
[redacted] DECL OADR DRV HUM 4-82.

END OF MESSAGE SECRET

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C 1510

[redacted]

PAGE 001 IN 3654571

TOR: 17[redacted] MAR 84 [redacted]

SECRET 17[redacted] MAR 84 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR [redacted]

SUBJECT: MEETING WITH [redacted] RE: BEIRUT KIDNAPPING

REF: DIRECTOR 875330 *

1. [redacted] MET WITH IDEN B TO REF, WHO TURNED OUT TO BE [redacted] ON AFTERNOON OF 17 MARCH TO DEBRIEF HIM ON INFORMATION VOLUNTEERED BY HIM PER REF ON KIDNAPPING OF AMERICAN DIPLOMAT BUCKLEY AND ON PLOT TO ASSASSINATE [redacted] PRESIDENTIAL CANDIDATES. [redacted] DETAILS FOLLOW:

2. [redacted] STATED THAT THE KIDNAPPING OF BUCKLEY WAS ENGINEERED BY [redacted] ALIAS [redacted] (NO TRACES). [redacted] AND LEFT FOR TEHRAN LAST NIGHT (16 MAR), AFTER FAILING TO OBTAIN [redacted] PERMISSION TO MOVE THE CAPTURED BUCKLEY [redacted] WHERE HE IS BEING HELD, TO TEHRAN. [redacted] COULD PROVIDE NO DETAILS ON THE CURRENT LOCATION OF BUCKLEY. [redacted] HAS BEEN IN TOUCH WITH [redacted] REQUESTED THAT [redacted] RETURN [redacted] TO USE HIS INFLUENCE TO OBTAIN PERMISSION TO MOVE BUCKLEY TO TEHRAN. THE [redacted]

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chapter 7 Fn 3

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C 1511

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[redacted] PAGE 002 IN 3654571
TOR: 17[redacted] MAR 84 [redacted]

CURRENT PLAN IS FOR [redacted] TO RETURN [redacted] ON 20 MARCH, AND TO MOVE BUCKLEY TO TEHRAN ON 21 MARCH. BUCKLEY WILL MOST LIKELY BE TRANSPORTED VIA IRAN AIR IN THE CARGO HOLD OF A PASSENGER AIRCRAFT, OR BY AN IRAN AIR CARGO AIRCRAFT. [redacted] PROVIDED THE TELEPHONE NUMBER AND THE ROOM NUMBER OF THE HOTEL [redacted] WHERE [redacted] AND HIS PARTY HAD STAYED: [redacted]

3. THE SOURCE OF THE ABOVE INFORMATION IS [redacted] AN IRANIAN GOVERNMENT OFFICIAL WHO IS UN[redacted] AND SECRETLY SUPPORTS THE OVERTHROW OF THE KHOMEINI REGIME. [redacted] HAS TAKEN PART IN DISCUSSIONS WITH [redacted] ON THE FATE OF "THE AMERICAN". [redacted] STATED THAT THREE DAYS AGO HE PAID [redacted] USD20,000 VIA AN ACCOUNT IN [redacted] IN THE NAME OF ONE OF [redacted] RELATIVES. [redacted]

4. [redacted] PRESENTED ALIAS PASSPORT, IDEN A, ON WHICH HE IS TRAVELING, AND STATED THAT HIS TRUE NAME IS IDEN B. HE CLAIMS THAT HE CHANGES IDENTITIES EVERY THREE MONTHS OR SO FOR SAFETY. HE CLAIMED THAT HE IS INVOLVED IN AN UNNAMED IRANIAN ORGANIZATION WHICH IS FUNDED BY ARMS SALES TO IRAN. [redacted] STATED THAT HE IS USING IRAN'S MONEY TO BRING ABOUT ITS DOWNFALL. HE ADVISED THAT THE ORGANIZATION IS NOT AFFILIATED WITH ANY OF THE EXILE GROUPS OR LEADERS BECAUSE THEY ARE TOO COMFORTABLE LIVING IN THE WEST AND ARE NOT SERIOUS ABOUT OUSTING KHOMEINI. [redacted] DEALS ONLY WITH IRANIANS IN GOVERNMENTAL POSITIONS IN THE KHOMEINI REGIME WHO ARE ANTI-KHOMEINI. HE CLAIMS TO HAVE PENETRATIONS OF THE MILITARY, THE REVOLUTIONARY GUARD, AND THE INTELLIGENCE ORGANIZATIONS. HE STATED THAT HE CEASED DEALING WITH [redacted] IN MARCH 1981 BECAUSE IT WAS APPARENT THAT [redacted] WAS NOT GOING TO ACT ON THE INTELLIGENCE HE WAS PROVIDING TO BRING DOWN KHOMEINI AND THAT IT WAS CLEAR THAT A

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STAFF

[redacted] PAGE 003 IN [redacted]
TOR: 17[redacted] MAR 80

DECISION [redacted] THAT REGARD HAD NOT YET BEEN MADE. [redacted] THIS IRRITATED [redacted] WHO STATED HE IS NOBODY'S MAN, AND IS VOLUNTEERING THE INFORMATION TO [redacted] BECAUSE HE SEES THAT NOW OUR "BACK IS AGAINST THE WALL" AND THAT PERHAPS NOW SOME ACTION WILL COME FROM HIS COOPERATION.

5. REQUEST HEADQUARTERS TRACES ON [redacted] [redacted]

6. SEPARATE CABLE FOLLOWS ON DETAILS OF PLOT TO ASSASSINATE PRESIDENTIAL CANDIDATES.

7. FILE: [redacted] INDEX: [redacted]
[redacted] DECL OADR DRV HUM 4-82.

COMMENT: * WOULD APPRECIATE [redacted] OFFICER ESTABLISH CONTACT WITH SOURCE [redacted]

END OF MESSAGE SECRET

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CIIN 1051 UNCLASSIFIED DO 005976
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C 1462

[redacted]

9-5

OUTGOING MESSAGE

PAGE 001
TOT: 25 [redacted] JUL 84 DIRECTOR 023056

4559

SECRET
STAFF 25 [redacted] 023056
TO: [redacted]

SUBJECT: FABRICATOR NOTICE - MANUCHEHR ((GORBANIFAR)) subject of burn notice

1. MANUCHEHR ((GORBANIFAR)), AKA DJAFAR SOUZANI, JA'FAR SUZANI, MANOUCH SOUZANI, MANUEL PEREIRA, MANOCHEER KORBANIFAR, NIKOLAOS KRALIS. DPOB: 9 MAY 1945, TEHRAN, IRAN; ALSO 1942 ISFAHAN; CIRCA 1944, 1938. CIT: IRAN. OCCUPATION: EXPORT/IMPORT BUSINESSMAN. FORMERLY MANAGING DIRECTOR ISRAELI-CONNECTED STAR LINE SHIPPING. FORMER IRANIAN ARMY OFFICER. CLAIMS TO HAVE WORKED FOR SAVAK. BELIEVED TO BE IN PERIODIC CONTACT U.S. INTELLIGENCE SERVICE [redacted] DESCRIPTION: MEDIUM HEIGHT, OVERWEIGHT, DARK EYES, THINNING DARK HAIR, ROUND FACE, WELL-DRESSED. NO KNOWN HEALTH PROBLEMS. DOES NOT SMOKE. PERSONABLE, CONVINCING, FAST TALKER, DIFFICULT TO KEEP TO SUBJECT AT HAND. SELF-PROCLAIMED WHEELER-DEALER SINCE HIS EARLY 20'S. SPEAKS EXCELLENT AMERICAN-STYLE ENGLISH. FAMILY: WIFE [redacted] AFSHARI NOORI GITY. BROTHERS: (1) ALI GORBANIFAR, [redacted] BORN 21 JUNE 1953, ALSO GIVEN AS 1952 ISFAHAN, AKA ALI ((SUZANI)). MAY TRAVEL ON GREEK PASSPORT; (2) REZA ((GORBANIFAR)), NO FURTHER INFORMATION.

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2. PASSPORTS:

A. PORTUGUESE PASSPORT NUMBER 10[illegible]/80 IN NAME OF MANUEL PEREIRA ISSUED GOVERNO CIVIL DE BRAGA ON 3 OCTOBER 1980, VALID UNTIL 3 OCTOBER 1985.

B. GREEK PASSPORT NUMBER X-10723 IN NAME OF NIKOLAOS KRALIS ISSUED 27 OCTOBER 1981 IN STOCKHOLM, VALID UNTIL 26 OCTOBER 1986.

C. IRANIAN PASSPORT NUMBER 11652209 IN NAME OF JA'FAR SUZANI. AS OF 19[illegible] SAID TO HAVE IRAQI PASSPORT IN ARAB NAME. CLAIMS TO BE IN POSITION TO PRODUCE GENUINE PASSPORTS OF VARIOUS NATIONALITIES.

[redacted]

DO[illegible]227
03 01/30

3. ACTIVITIES:

A. PRIOR TO IRANIAN REVOLUTION SUBJECT HAD BEEN AN INFORMANT FOR IRANIAN INTEL AND CLAIMED TO HAVE ACCESS TO MANY SENIOR RANKING OFFICERS IN MILITARY AS WELL AS ACCESS TO IRANIAN UNDERWORLD CHARACTERS OF VARIOUS ILLICIT HUES. AS OF LATE 1979 HE WAS MEMBER OF TEHRAN KOMITE AND WAS ABLE TO TRAVEL FREELY BETWEEN EUROPE AND IRAN IN CONNECTION WITH HIS IMPORT/EXPORT BUSINESS. THEN HE AND HIS BROTHERS, ALI AND REZA GORBANIFAR, BECOME IMPLICATED IN ABORTIVE COUP OF 9 JULY 1980 WHICH RESULTED IN CURTAILMENT OF HIS TRIPS TO IRAN. SINCE THAT TIME HE HAS BEEN LOCATED PRIMARILY IN PARIS WITH HIS BROTHER ALI BUT TRAVELS TO ATHENS, TURKEY AND IRAN FOR PURPOSE OF MEETING WITH OTHER EXILE LEADERS IN SUPPORT OF HIS "GROUP" IN IRAN. HE CLAIMED AT ONE TIME TO BE CLOSELY AFFILIATED WITH SHAHPOUR BAKHTIAR BUT LATER SAID HE AND HIS "GROUP" WERE

[redacted]

[redacted]

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[redacted]

PAGE 002
TOT: 29[redacted] JUL 84 DIRECTOR 023056

MONITOR[redacted] AND OTHER EXILE GROUPS.
FOR YO[redacted]ORMATION ONLY: [redacted] IN JANUARY 1980 [redacted] INTRODUCED HIM T[redacted] OFFICER. [redacted] THUS HE BECAME A [redacted] SOURCE ON [redacted] MATTERS UNTIL ABOUT FEBRUAR[redacted]S PERIOD HE WAS MET BY [redacted] AND PROVIDED SOME USEFUL INFORMATION ON [redacted] WELL AS PERSONALITIES IN IRAN.

[redacted] HE HAD A HISTORY OF PREDICTING EVENTS AFTER THEY HAPPENED AND WAS SEEN AS A RUMORMONGER OF OCCASIONAL USEFULNESS. IN ADDITION, THE INFORMATION COLLECTED BY HIM CONSISTENTLY LACKED SOURCING AND DETAIL NOTWITHSTANDING HIS EXCLUSIVE INTEREST IN ACQUIRING MONEY.

[redacted]

3. FOR YOUR INFORMATION ONLY: ON 17 MARCH 1984 SUBJECT MET WITH A [redacted] OFFICER [redacted] AND VOLUNTEERED INFORMATION ON THE BEIRUT KIDNAPPING OF COS, BEIRUT AND ON A PLOT TO ASSASSINATE PRESIDENTIAL CANDIDATES. HE SAID HE HAD STOPPED DEALING WITH [redacted] IN 1981 BECAUSE [redacted] WAS NOT GOING TO ACT ON INTEL HE WAS GIVING TO BRING DOWN THE [redacted] REGIME. [redacted] ON 18 MARCH 84 HE WAS [redacted] TO DETERMINE VERACITY OF HIS INFORMATION. HE FAILED EXAM ON SIGNIFICANT ISSUES OF FABRICATION AND HE DELIBERATELY PROVIDED FALSE INFO ON BEIRUT KIDNAPPING AND ASSASSINATION PLOT. AT REQUEST OF [redacted] HE WAS [redacted] ON 12 JUNE 84 AND AGAIN FAILED EXAM. HIS REACTIONS INDICATED HE WAS PRACTICING DECEPTION ON ALL RELEVANT QUESTIONS CONCERNING PLOT TO ASSASSINATE PRESIDENTIAL CANDIDATES.

3RD AGENC

[redacted]

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4. SUBJECT SHOULD BE REGARDED AS AN INTELLIGENCE FABRICATOR

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OUTGOING MESSAGE

[redacted] PAGE 003
TOT: 25[redacted] JUL 84 DIRECTOR 023056

[redacted]PPROACHES BY SUBJECT OR HIS BROTHER
AND A NUIS[redacted] TAKEN SERIOUSLY.
ALI SHOUL[redacted]ORTED [redacted]

5. [redacted] ARE ALSO BEING
NOTIFIED [redacted] ABOVE INFORMATION [redacted]

[redacted] DECL OADR DRV HUM 4-82.

6. [redacted]

ALL SECRET [redacted]
ORIG: [redacted] REL: NONE (). CL
[redacted]

END OF MESSAGE SECRET

OUTGOING MESSAGE

OUTGOING MESSAGE

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Date 22 March 87
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19 June 1984

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C 1479

MEMOR[redacted]

FROM

SUBJ

Partially Declassified/Released on 1/25/88 under provisions of E.O. 12356 By B. Reger, National Security Council

1. [redacted] Within the past week it has come to our attention through three different channels that an [redacted] is interested in establishing contact with the United States Government. Two of the three sources of information are highly questionable, and the third does not believe he will be able to develop further information in the near future. We believe that the person who wishes contact is [redacted] and that he has now returned to Iran [redacted]

2. EXPOSITION: On 10 June 1984 Manucheur Ghorbanifar [redacted] reestablished contact with [redacted] During a conversation with him 11 June 1984, he claimed to have convinced [redacted] to talk to a representative of the United States "Foreign Office." [redacted] initially described [redacted] and wanting to "make a deal." He later said that the individual who wants to meet with the United States Government is [redacted] who had been with the other three individuals in [redacted] and who, after being assured of his security by [redacted] was willing to talk to USG officials about all he knows of Majles power circles, terro[illegible]ntelligence organizations within Iran, Iranian perso[illegible], and so forth. [redacted] On 12 June 1984 [redacted] was given an [redacted] examination: deception was indicated on all relevant questions pertaining to [redacted].

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Date 27 March 87
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WARNING NOTICE
INTELLIGENCE SOURCES
OR METHODS INVOLVED

C11N-1036

CL BY [redacted]
DECL OADR HUM 4-82

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JUS104

Chapter 9
FN# 9-10 & 11

UNCLASSIFIED

22 November 1984

AMERICAN HOSTAGES IN LEBANON

N 7452

BACKGROUND

The former head of Savak's Department VIII, Counterespionage General Manucher Hashemi continues to monitor developments in Iran. His motivation for this effort is a desire to see Iran become a non-communist nation with an orderly and just form of government when Ayatollah Khomeini passes from the scene and his revolution becomes a spent force. In pursuit of this objective, General Hashemi believes he and other exiles, who have no political aspirations, can play a modest role in helping Iran to transition from its current chaos to a democratic society. He sees this happening via the process of exiles providing support, guidance and some coordination for "moderates" in Iran who have the courage, vision and resources required to prevent Iran from being dominated by Moscow. [redacted]

THE DIALOGUE TO DATE

The ebb and flow of the Iran-Iraq war since September 1980 has been of vital interest to oil companies. The trends of the conflict have, therefore, been monitored by risk analysis firms such as ours in order that our clients could be well informed. In seeking factual data on the struggle, we have harnessed various sources including the maintaining of contact with knowledgeable Iranian exiles. General Hashemi has been one of our emigre conversation partners. In October 1984 our dialogue with him took on a new form and substance in that he offered to put us in touch with a number of interesting Iranians who would be traveling in Europe in November 1984. We accepted the offer on the premise that it would help us to evaluate the quality of General Hashemi's future commentary as well as provide a first-hand assessment of what was likely to happen in the Iran-Iraq war which could impact on a volatile and oversold international oil market.

2214

HAMBURG MEETINGS

In the period 19 - 21 November 1984, a number of meetings were held in Hamburg, Germany with General Hashemi and Iranians that he introduced to us. This revealed that Manuchehr Ghorbanifar, President of Byiex Trading Company, 56 Avenue Maroeau, 75008 Paris, telephone 7205041, telex 620927, was a major

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RKD/FBI
12-22-86
NS 15G

Partially Declassified/Released on 20 July 1987
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by B. Reger, National Security Council

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t-out between one group of contacts in Iran and the General. In fact, -. Ghorbanifar brokered one meeting for us and General Hashemi in Hamburg on , November with a most interesting traveler from Iran.

HORBANIFAR

After the meeting of 20 November with the man from Iran, Ghorbanifar was sked how we might authenticate the visitor's ability to help us in solving some oil ontract disputes with Iran. The response was simple -- put the man to the test of erformance. In short, give him a simple task to do and if he solved that one, move n to the next one. Ghorbanifar said this technique had worked for him. He then went on to say his own business kept him in close contact with the Iranian market where he played a role by brokering deals between Iranian buyers and European suppliers.

Ghorbanifar said his business was successful but he was also an Iranian nationalist. Due to the latter factor, he was vitally concerned with developments in Iran. He feared that Iran would become a Soviet satellite within the near term -- three to five years -- if he and people like General Hashemi did not do something to stem the tide. He rhetorically asked what can we do, for despite our ability to work with the "moderates" in Iran, we can't get a meaningful dialogue with Washington. According to Ghorbanifar, it is President Reagan who has the destiny of the Iranian people in his hand. When at this juncture Ghorbanifar was asked if he had tried to open a dialogue with the Americans, he said, "We know the CIA in Frankfurt. They want to treat us like kleenex -- use us for their purpose and then throw us out the window. We can't work with them as they are unreasonable and unprofessional. In fact, if you check on me with them, they will tell you I am unreasonable and undisciplined."

COMMENT: General Hashemi has privately verified that Ghorbanifar has several real estate holdings in Hamburg and Paris. The General said that from what he can see, Ghorbanifar is successful in business. In terms of contacts in Iran, Hashemi said he could only describe Ghorbanifar with the adjective "fantastic." At the same time, Hashemi said Ghorbanifar, while intelligent and a producer of results, had always been hard to control.

[redacted] has told us independently that Ghorbanifar had been an effective agent for SAVAK [redacted] but was known as a wheeler-dealer. He made the point that Ghorbanifar was not a trained intelligence officer but had been an access agent in various cases and had done commercial jobs for SAVAK as a cut-out.

Commercial traces on the Byiex Trading Company and its owner are pending.

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N 7454

HOSTAGES IN LEBANON

The conversation about the Iran-Iraq war throughout 20 November focused on three issues. They were the land war and the prospects for a Basra sector general offensive, the Gulf maritime war and Kharg Island as its centerpiece and Tehran's export of the revolution with emphasis on what threat the latter was to oil facilities in Iraq, Kuwait, the United Arab Emirates and Saudi Arabia. During the early portions of this conversation, Ghorbanifar said Tehran [redacted] Perhaps this could be delivered to the Americans to prove that Hashemi and Ghorbanifar had influential contacts in Iran. In response, it was pointed out that transactions of this type might not be simple, particularly as no one knew what Iran would want in exchange. Ghorbanifar said he would guess Tehran would want TOW missiles. He was urged, therefore, to find a simpler way to prove his bona fides if he in fact wanted to deal with the Americans. Nothing emerged at that juncture in response to that comment. As the day wore on, however, and Lebanon entered into the scope of the conversation, Mr. Ghorbanifar was asked what he knew about Iranian intentions in Lebanon, what role Tehran had played in bombing the American Embassy or kidnapping Americans. The response was he had little hard facts beyond having heard the captured Americans were alive. Ghorbanifar was told that all citizens who had compassion for their countrymen were interested in the fate of Americans who had been captured by terrorists, guerrillas or other unstable elements. If Ghorbanifar could shed light on the status of Americans in Lebanon it would be a humanitarian gesture which would be duly noted by those who count. Ghorbanifar said he assumed we were talking about a tractors for prisoner exchange. The answer was we had nothing specific in mind. On the other hand, we knew oil companies could be generous and if there was a humanitarian deal to be made in simple terms with adequate safeguards for life and funds, we would be willing to take soundings with our oil company clients and contacts to see if a deal could be structured.

There was about a three hour break between the end of the afternoon session on 20 November and a regrouping for after-dinner drinks. In this period, each member of the afternoon session went on his own to different dinner sessions. When the group reconvened, Ghorbanifar said he had thought about the afternoon session, had made some telephone calls, had talked to a friend and could now say the following:

a. Americans captured in Beirut were alive.

b. A deal could be made for their release using Iranian channels.

c. The transaction would be simple -- money for people.

d. The cover for the transaction would be Ghorbanifar had bought them out and resold them to a private group that raised the funds.

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e. The transaction had to be kept secret. This meant that whatever final explanation was worked out to advise the media of how the release had been effected, it could not identify Ghorbanifar, Iranians or anything but a private ransom deal.

f. If this deal interested us, we were to do the following:

(1) provide the full names of the captured Americans;
(2) indicate the date of their capture;
(3) provide the given name of each captive's father.

Ghorbanifar was told we had noted his points and would take appropriate soundings. When we indicated surprise at the speed of his decision-making process, he laughed and said he was an operator and now the ball was in our court. He wondered aloud if we could react as quickly as he had. We said we doubted that we could, for we were both cautious and deliberate.

[redacted]

COMMENT

In subsequent private discussions late on 20 November, General Hashemi told us he did not know who Ghorbanifar had contacted on this matter or how. He said he would attempt to find out and might have an answer in ten days time. This delay was due to the fact that Ghorbanifar and Hashemi would both be traveling as of 21 November and could not talk securely for a number of days. We know Hashemi flew from Hamburg to London on 21 November 1984.

No names of the Americans captured in Lebanon were discussed at any time by either party. In terms of numbers, we said we thought four Americans were unaccounted for in Lebanon. We had in mind the following:

a. Jeremy Levin of Cable News Network who was kidnapped on 7 March 1984;

b. William F. Buckley, an American Embassy officer, who was kidnapped on 16 March 1984;

c. Benjamin M. Weir, a Presbyterian Minister kidnapped on 8 May 1984.

It must be stressed, however, that we never surfaced their names, organization or date of capture.

SECURITY EVALUATION

General Hashemi is independently wealthy. He travels on the basis of his own funds plus discounted airline tickets that he receives from a son-in-law who

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has a travel agency. Our relationship with him has been based on a mutuality of interest in Iranian affairs. We reciprocally host luncheons or dinners.

[redacted]

Ghorbanifar has no known intelligence connections with any Western intelligence service. He is a "wheeler dealer" and could play both ends against the middle for a profit in a business deal. On a political matter concerning Iran, it would appear, however, that he could be kept on track if he were tasked via Hashemi.

PROPRIETARY INTEREST

It is our intent to continue our dialogue with General Hashemi, for he has been helpful in the past in assisting us to understand events in Iran. Mr. Ghorbanifar is a new entity on our commercial horizon and we are evaluating his potential to contribute to our ventures. In sum, while we have spelled out with frankness how this situation unfolded, we have done so out of concern for a friend and other fellow Americans. (COMMENT: Mr. Buckley was known to us from his service in Vietnam.) With equal candor, we must state that while we expect the data we have furnished to be checked, if it interests anyone in government, we must insist the verification effort be carried out in a manner that will not prejudice our relationship with General Hashemi and Mr. Ghorbanifar. Put another way, we have invested time and money into developing and maintaining relationships that by our criteria are useful. As a result, we want to preserve them and request this sensitivity factor on our part be both noted and honored as this situation is evaluated. In this context, please note the attached article on risk assessment which outlines some of our commercial concepts.

ACTION REQUESTED

We must, in the course of the next two weeks, give Mr. Ghorbanifar some response to his feeler on a ransom deal. It is requested, therefore, that we be advised by no later than 7 December 1984 how we are to respond. It is, of course, understood that any reply has to take into account current policies on the topic of ransom. If it would be of assistance to those considering the nature of the reply, we would be available for a discussion of the data outlined in the preceding paragraphs.

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CLASSIFIED AT TIME OF PUBLICATION.

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9-13

1. SUMMARY: On 22 April 1986, the United States Customs Service and the United States Attorney's Office for the Southern District of New York announced the indictment of seventeen individuals on charges that they were participants in an illegal scheme to smuggle $2.5 billion in American-made warplanes, missles and other weapons to Iran. This case has received prominent play in the foreign and domestic press (see attachment) and has been of interest to the Israeli government due to the involvment of a retired Israeli general. The bait in Custom's sting operation was Cyrus Hashemi, a former Agency and State Department contact. Hashemi's previous relationship with United States government agencies could be an issue at trial. The case is tentatively set to go to trial in November 1986.

2. Cyrus Hashemi is well and unfavorably known to the Directorate of Operations and the Department of State. The following is a summary of our involvment with Mr. Hashemi.

A. In early 1980, during the Iranian hostage crisis, Hashemi made representations to State that he could serve as a channel for negotiations concerning the hostages. [redacted] It developed that Hashemi did not have the ability to perform as projected and it was suspected that his offers were part of a scam.

B. During 1983 and early 1984, Hashemi was under investigation for arms export control violations. In separate meetings with the Agency and the Department of State, Hashemi's attorneys threatened to tell all if their client was brought to trial. It was the DDCI's decision that the Agency would have no objection to prosecution even in light of Hashemi's attempts at graymail. State was more reluctant because of the damage revelations would have on foreign relations. A federal arrest warrent was issued in May 1984 on Hashemi. His flight from prosection to Europe effectively put the prosecution on the shelf.

C. In June 1984, the DCI learned from John Shaheen, a personal acquaintance of the DCI, that Hashemi had information he wished to pass to the Agency. Because Hashemi was a fugitive from justice, Shaheen was informed by the DCI that the Agency had no interest in pursuing Hashemi's offer.

D. During June - August 1985 Shaheen and one of Hashemi's attorneys were in contact with the Agency regarding Hashemi's alleged ability to intercede with Iranian officials to secure the release of the hostages in Lebanon. Hashemi sought to arrange for charges against him to be dropped in return for his cooperation. Both the Agency and State investigated Hashemi's claims, with no positive results.

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UNCLASSIFIED Chapter 9 FN # 13, 48, 129

9030

3. Until his death of natural causes in July of 1986, Hashemi was to be one of the primary witnesses at trial. Even though we had no part in the Customs sting operation, the Agency may be brought into the case because the defense may make an issue of Hashemi's attempts to contact the Agency to secure favorable treatment on his 1984 indictment.

4. Representatives from the Directorate of Operations and the Office of General Counsel have met with the Department of Justice attorney and the local prosecutor to brief them concerning our equities in this case and to allow them to review redacted versions of Agency documents. They have been made aware that our primary concerns are to protect from disclosure [redacted] the details of our involvment with the attempt to arrange the hostage release in 1985, the identities of covert sources, and the identities of covert CIA officers. As it now stands, we are anticipating that we will be compelled to acknowledge our relationship with Hashemi with a summary description of his post indictment actiivities that are relevant to an entrapment defense.

5. On 5 September 1986, we were informed that one of the defense attorneys had indicated to Mr. Hashemi's attorney, William B. Wachtel, interest in reviewing his file on Hashemi and discussing with him his knowledge of Hashemi's activities. Mr. Wachtel is inclined to assert attorney client privilege. Based on information in our files, it is obvious that Mr. Watchel is fully informed on Hashemi's dealings with various government agencies. OGC is currently discussing with Justice and State attorneys means to prevent the release of classified information by Mr. Wachtel.

3 1 34

DO 49572

UNCLASSIFIED

C11N 3792

[illegible] FOR RELEASE
DATE 20 May 87
HSC & SSC

chapte 9 FN #13 34
9 7F78 130
9031

UNCLASSIFIED [redacted]

MEMORANDUM FOR: [redacted]
Chief, [redacted]

ATTENTION: [redacted]

FROM: [redacted]
Chief, [redacted]

SUBJECT: OGC Name Trace Request

1/25/87

REFERENCE: A. [redacted] Two-Way Memo dated 13 May 1986
B. OGC-86-51313 dated 9 May 1986

1. The following is in reference to your request dated 13 May 1986 for information concerning referenced subjects. (U)

4569

2. [redacted] surfaced on Cyrus Hashemi-Naini, DPOB: 26 December 1939, Iran. The following updates previous information provided to the Office of General Counsel on Hashemi and OGC-84-1472 of 7 February 1984 which details OGC's meeting with Hashemi's attorney.

A. On 17 May 1984, A federal arrest warrant was issued on Hashemi for arms export control violations. As of 25 May 1984, Hashemi was reported to be in London.

B. [redacted]

C. During June - August 1985, a Hashemi intermediary and one of his attorneys was in contact with the agency regarding Hashemi's alleged ability to intercede with Iranian officials to secure the release of the hostages in Lebanon. Much time and effort was spent in this endeavor which was fruitless. Hashemi sought to arrange a nolle prosequi in return for his cooperation. ~~(S)~~ U

D. In December 1985, representatives of the Directorate of Operations and OGC met with U. S. Customs officials to discuss their proposal to use Hashemi. They were told in general terms of his background. They were also informed that he was described in our files as a sleazy and slippery character who had previously been involved in nefarious activities. The Customs officials indicated that they would be in further contact with more specific requirements. The DDO was unaware of Customs' ongoing activities with Hashemi until charges were brought on 22 April 1986. ~~(S)~~ U

3 / 34

UNCLASSIFIED

DO 49473

C11N 3793

10 may 87
HCCSSC

Chapter 9 PN# 23 ; 24

[illegible] Declassified/Released on 5May1987
under provisions of E.O. 12356
by [illegible] Pegar, [illegible]

N 16390

[redacted] [redacted]

[redacted]

9-23+24

[redacted]

****

[redacted] [redacted]

[redacted]

[redacted]

****

MSG FROM: NSDRF --CPUA TO: NSRCM --CPUA 04/09/85 10:22:14
To: NSRCM --CPUA

Fortier Files -5
12/23/86
RWK

-- SECRET --

NOTE FROM: DONALD R. FORTIER
SUBJECT: Ledeen and Iran

Mike Ledeen came to see me yesterday. He had met earlier with Jock and Howard. Mike said he had talked to Wilma about re-initiating his trip to Israel. He got the impression that you were prepared to give the green light subject to a positive recommendation from Fortier/Covey/Teicher.

I don't know if this is really your view. We have all discussed this matter. None of us feel Mike should be our primary channel for working the Iran issue with foreign governments, and we think you should probably should not provide a formal letter. At the same time, we think it would be useful to have Mike carry two messages to Peres: 1) the White House feels it is essential to begin to develop a more serious and coordinated strategy for dealing with the Iranian succession crisis - a crisis that is almost certain to turn on outside involvement of one kind or another; and 2) we would like his ideas on how we could cooperate more effectively. The last point is a hard one for us to ask our intelligence community to communicate, since we suspect they may be part of the problem. We don't think Mike should be the one to ask Peres for detailed operational information; he probably doesn't know, and even if he did, this should be reserved for official channels once we have arrived at ideas for restoring better cooperation.

185

I met yesterday with interested people here to begin to put together an action plan for Iran similar to what we did on We reviewed the Israeli requirement in the context of this discussion and believe it is congruent.We need a dialogue on this subject, but were not far enoughlong [illegible] thinking to ask for anything too much more specific; moreover we peace process, etc. Chapter 9 23 ; 24

cc: NSJMP --CPUA

MSG FROM: NSDRF --CPUA TO: NSRCM --CPUA 04/09/85 11:41:22
To: NSRCM --CPUA

Fortier Tales - 16
12/27/86

-- ~~SECRET~~ --

NOTE FROM: DONALD R. FORTIER
Subject: Reply to Note 04/09/85 11:22 Ledeen and Iran

Thanks for the feedback Bud. Howard and I had talked - subject to your general ok - about his calling Nimrod Novak, both as a final sensitivity check and as a way of flagging our interest without your having to write a note on Mike's behalf. The problem, and I'm a little annoyed by this, is that Mike, on the strength apparently of his talk with Wilma, has gone ahead and rescheduled his lunch with Peres for next Thursday. Should we simply try to run the check and discuss with Shultz in the next day so that we can be done with this problem, or should I tell Mike to formally cancel again? The only other comment I would add is that Mike seems to be able to get on Peres calendar (unless he is misleading us) rather easily, something that would seem to be more difficult if he were out of favor. Thanks again for your advice.

cc: NSJMP --CPUA

MSG FROM: NSDRF --CPUA TO: NSJMP --CPUA 04/09/85 12:28:10
To: NSJMP --CPUA

-- ~~SECRET~~ --

NOTE FROM: DONALD R. FORTIER
SUBJECT: Rosen

I have to confess to you that the more I thought about Vince's allegations against Steve, the madder I became. I don't intend to let this surface, and will - as your dutiful servant - try to move forward the substance with a minimum of personal friction. Still, his remarks come close to being personal slander of the worst sort. It seems that the only shred of evidence on the Israeli connection is that Steve told Vince he planned (but hasn't) to talk to a guy at the Embassy that several others had recommended to us as very knowledgeable about Iran. We also checked back through our files and memcons and could find no single instance where we asked the kind of question Vince professes to be so concerned about, i.e. exposing agents, actual plans etc. Our emphasis throughout the exercise was: what are your criteria for success, are you emphasizing the right kinds of munitions, would more help, are our collection priorities correct etc. In short, we asked the kind of questions someone should have asked a long time ago. And that, I suspect, is the root of the problem. All of us here gave Vince the benefit of the doubt when he came on board. He should do the same.

---

(186)

[redacted] [redacted]

Partially Declassified/Released on 5 May 198[illegible]
under provisions of E.O. 12356
by N. Reger, National Security Council

[redacted]

[redacted]

9-24 1/

****

MSG FROM: NSRCM --CPUA TO: NSDRF --CPUA 04/09/85 11:22:47
To: NSDRF --CPUA

N 15306

-- SECRET --

NOTE FROM: ROBERT MCFARLANE
Subject: Reply to Note 04/09/85 10:22 Ledeen and Iran

Yes I think it is entirely worthwhile to cooperate closely with Iran in our planning for Iranian succession. My only concern with regard to Mike is a hint I got the last time he was in that he personally was out of favor with Peres but I stress that I have absolutely no hard basis for such a conclusion. It might be useful however, for Howard to make a discreet sensitivity check with one of his friends in the PM's office. As a separate matter I want to talk to Shultz so that he is not blindsided when Sam Lewis reports--as he will surely find out-- about Mike's wanderings. So for the moment let's hold on the Ledeen aspect. I will get back to you. I do consider planning for the succfession to be one of our greatest failures and vulnerabilities so I am very glad you are turning to it.

cc: NSJMP --CPUA

****

MSG FROM: NSRCM --CPUA TO: NSDRF --CPUA 04/09/85 12:45:22
To: NSDRF --CPUA

-- SECRET --

NOTE FROM: ROBERT MCFARLANE
Subject: Reply to Note 04/09/85 11:41 Ledeen and Iran

Does Mike imagine that he can hold his meeting without Sam Lewis knowing about it? I really doubt that. Please do try to run the Novick check. If it turns up negative, simply tell Mike that the meeting is not sponsored by us and he should not so represent.

****

MSG FROM: NSJMP --CPUA TO: NSDRF --CPUA 04/09/85 17:01:43
To: NSRMK --CPUA BOB KIMMITT

Fortier Files-14
12/23/86
KWK

-- SECRET --

NOTE FROM: JOHN POINDEXTER
SUBJECT: Master List of Activities on Contra Peace Issue

I have asked Don to pull together through his task force a master list (less President) of events for the administration between now and 30 April. It is

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by [illegible] Reger, National Security Council

(187)

Chapter 9 FN# 30
N 16394 # 32

[illegible]
To: NSRCM --CPUA

-- ~~SECRET~~ --

NOTE FROM: DONALD R. FORTIER
SUBJECT: Iran

9-30

We spent the better part of the day working on the Iran NSSD. I have Dennis here looking at the recent spate of Soviet activity and the levers we may have arising out of the war and other circumstances. I think we need about one more full day before we send up a draft for you and John to review. We also just got a bootleg copy of the draft SNIE. We worked closely with Graham Fuller on the approach, and I think it really is one of the best yet. Iran may come up in the breakfast tomorrow. If pressed for action you can credibly promise paper within the next few days. I also think the Israeli option is one we have to pursue, even though we may have to pay a certain price for the help. I'm not sure though that we have the right interlocutor. Mike has a call into me now. His message is that he needs to see me urgently to follow up on his weekend conversation and to get a new plane ticket. Would appreciate guidance and substantive feedback. Thanks.

cc: NSJMP --CPUA

****

[redacted]

****

MSG FROM: NSDRF --CPUA TO: NSRCM --CPUA 05/29/85 10:35:11
To: NSRCM --CPUA

*** Reply to note of 05/28/85 14:17

-- ~~SECRET~~ --

Fortier Files -19
12/23/86
RWK

NOTE FROM: DONALD R. FORTIER
Subject: Presidential Message to Freedom Fighters
The safest thing, under the circumstances, might be to do nothing. At the same time, it is a rather extraordinary convocation. Steve and I will give you a draft of the themes we believe one could prudently use in the event it is decided to go ahead. I asked Steve to check with Walt, however, to see what more we know about the event: are other messages anticipated (in which case, our silence would be more conspicuous); will the participants issue any declaration of their own (and is it something we would want to be fully associated with) etc.We will get something to you later today.

cc: NSJMP --CPUA

(190)

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Under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

- Place for US + its I's new in the world hold on hostgs, and war

Concert ō West / Commies clearly play up for arms ⇒ Iraq (?)

~~SECRET~~/NOFORN
The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

(E-R / pl) D 570 (i NGA) Chapter 9 FN# 31 ~~II~~

rec'd NGA Am 5

9-31

NIC 02545-85
17 May 1985

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

FROM: Graham E. Fuller
National Intelligence Officer for NESA

SUBJECT: Toward a Policy on Iran

1. Prolong war has emphasis for war. US wld be disaster
2. Maintain pressure opp'n to war policy / but good br rels, & trade
3. US. / visit ⇒ 8 Jun 24 Jun 1 Jul
4. Go NS.
5. Work for's End war

1. The US faces a grim situation in developing a new policy toward Iran. Events are moving largely against our interests and we have few palatable alternatives. In bluntest form, the Khomeini regime is faltering and may be moving toward a moment of truth; we will soon see a struggle for succession. The US has almost no cards to play; the USSR has many. Iran has obviously concluded that whether they like Russia and Communism or not, the USSR is the country to come to terms with: the USSR can both hurt and help Iran more than the US can. Our urgent need is to develop a broad spectrum of policy moves designed to give us some leverage in the race for influence in Tehran.

- The specter of the US and the USSR standing on the same side of a major international strategic conflict, like the Gulf war, is extraordinary. It is also an unstable situation and cannot persist for long. We are both on Iraq's side because we lack our preferred access to Iran. Whoever gets there first is in a strong position to work towards the exclusion of the other.

Exaggerated

- [redacted] continues to monitor Soviet progress toward developing significant leverage in Tehran. We must monitor that progress--but we also already know where Moscow wants to go and that it will devote major resources to claiming this important prize. Even if Moscow's progress is uneven, we need to develop a strategy in response.

2. The Twin Pillars of US Policy. US policy at present comes down to two major pillars.

733

- We will respond with force directly if Iran should undertake another terrorist outrage against the US.

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UNCLASSIFIED

~~This Memo is Classified SECRET/NOFORN in its entirety.~~

~~SECRET~~

CL BY 135401
DECL OADR

-- We seek to choke off all arms supplies to Tehran wherever possible.

3. Terrorist Attack: We can and must have some policy against terrorism. We must also recognize that this cannot repesent the bulk of our policy toward Iran. Furthermore, radical forces in Tehran may welcome a direct confrontation with the US--including US military retaliation--in the hopes of replaying its extraordinarily successful gambit against the US in the 1979 hostage crisis.

ABSOLU

-- During that crisis the radicals galvanized the Iranian atmosphere, polarized all views, rendered the moderates irrelevant, and proceeded to eliminate them in the supercharged atmosphere of confrontation.

These radicals may seek to do so again in the expectation of doing away with any opportunity the conservatives may have to reach accommodation with the US. [redacted] While we cannot allow terrorism to go unchecked, we must balance the terrorist policy against the potential stake in Iran.

questionable assumption

4. Choking off Arms Supplies. There are good reasons to seek to choke off ~~Soviet~~ arms supplies to Iran. It may be one way of bringing an end to the war which only Iran seeks to perpetuate. If the embargo is successful, however, it could also have the effect of driving Iran into a corner where the Soviets will be the only option left.

type TRU and [illegible]

-- We first raised (about 18 months ago,) this theoretical possibility of Soviet opportunity stemming from the US arms embargo. The possibility is no longer theoretical. Iran has, in fact, now begun moving toward some accommodation with the USSR. Meanwhile, the USSR can afford to play it cool and set its own terms, relatively confident that the US cannot steal a march on it.

historically Iran has done this

theoretical underpinning for change in policy

How does it follow from above

5. These two pillars of US policy--both sensible while Iran was in a vacuum and Khomeini was strong--can no longer serve as the primary vehicle for US policy toward Iran. Both are entirely negative in nature and may now serve to facilitate Soviet interests more than our own. We must develop a more positive set of plans involving a much broader spectrum of considerations and actions.

-- It is easy to criticize our present position, and I do not mean to suggest that any easy answers exist. It is imperative, however, that we perhaps think in terms of a bolder--and perhaps

UNCLASSIFIED

slightly riskier policy which will at least ensure greater US voice in the unfolding situation. Right now--unless we are very lucky indeed--we stand to gain nothing, and lose more, in the outcome of developments in Iran, which are all outside our control.

6. Some Broader Policy Considerations. Nobody has any brilliant ideas about how to get us back into Tehran. Nearly all tentative proposals require uncomfortable choices and clear-cut down sides. Nonetheless we need to review a broad spectrum of ideas. I submit below a range of thoughts, carrots and sticks,--all of which are flawed--but which might assist in sparking better and more refined positions to meet our needs.

a. Work with Iraq to bring Tehran to its knees. We could consider moving much closer to Iraq to bring the war to a quicker end--particularly by way of encouraging crippling attacks on Kharg Island and key Iranian economic facilities. This would serve to put intolerable pressure upon the regime, perhaps damaging the hardliners, maybe even leading toward the collapse of the clerics. It would probably bring the war to a de facto conclusion. Disadvantage: We have no knowledge about who would emerge victorious from such shambles; it could well be radical elements filled with hatred of the US. The radicals have most of the guns. It might ensure Tehran's rapid accommodation with Moscow.

and Iraqi losses would create pressure on regime in Bagh.

b. Open up Iran to friendly state influence. We could tell all our European allies, as well as Israel, Turkey, Pakistan, China, Japan, Brazil and Argentina that Western influence must develop a paramount position during this critical period in Iran. We would remove all restrictions in sales--including military--to Iran. Our only proviso would be the request that truly strategic items which could immediately affect the conduct of the war be avoided. (In fact, in the short term, few items would really reverse the course of the war.) Such a step would effectively preclude Iran turning to or needing the USSR. Iran's diminished isolation might encourage the emergence of Iran's moderates into a greater policy role. Disadvantage: (1) Certain ~~Possible~~ encouragement for Iranian perpetuation of the war. (2) Setback to US standing in Iraq & Arab world.

and Europeans would likely criticize our inconsistency

c. Go after Iran's radical allies. While direct US assault against Iran could bring about the very thing we wish to avoid, i.e. Soviet domination of Iran, direct attack on Iran's radical allies, Syria and Libya, would probably sober Iran and weaken its support from those quarters. It would be a clear blow to the "radical entente." Qadhafi in particular is a key figure.

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~~We have~~ every reason in the world to want to see Qadhafi collapse. Bold US policies leading to his downfall would have chilling effect on Iran and shake its confidence that the correlation of radical forces was with them. (Pressure on Syria would have less effect and could ideally only come from Israel--which is hardly interested in a confrontation with Syria at this point.) This "indirect strategy" would demonstrate US resolve against radicalism without directly pushing Iran in the wrong direction. Unlike Iran, we have nothing to lose in Libya and everything to gain. — Disagree. We risk strengthening Qadhafi, as we have in the past by [illegible]

d. Battening down the hatches in Turkey and Pakistan. Assuming that we may be heading for a major Soviet gain in Iran, we may need to greatly step up our ties with Turkey and Pakistan. Turkey is at the heart of US ability to respond to any future Soviet military action against Iran. Both countries would be profoundly affected by an Iranian lurch in the Soviet direction. [redacted] Turkey is even more important than Pakistan ~~because~~ of its NATO ties, control of the Bosphorus and contiguous border with the Soviet Union. These states must be reassured that we are deeply committed to their support even if we cannot control a negative course of events in Iran. [redacted] ✓

Turkey [illegible]

e. Getting the Message Through to Tehran. Most analysts believe that nearly all elements in Iran are convinced that the US is implacably hostile to the Iranian regime. In the ugly atmosphere generated by Iranian terrorism and the war, the US has felt it inappropriate to address words of reconciliation to Iran in general. There is room for such broad, public statement on a regular basis to ensure Iranian moderates--and opportunists--that we are not dedicated to the overthrow of the Islamic Republic or the collapse of Iran. This in itself helps play against the barrage of propaganda from the top Iranian leadership which wishes to portray the US as the implacable enemy. The hostage crisis is far past and anti-American mob scenes are less exhilarating for the Iranian public than they were in the heady days of the new Republic. ?

f. Massive reassurance to Iran of US intentions. Mere words may not be enough to change the tide of moderate opinion and belief in Iran about the US. We could reemphasize this issue strongly if coupled with demonstrations of goodwill through withdrawal of the Sixth Fleet from the vicinity of the Persian Gulf and placing the US military presence in the Gulf on very low ?

profile. Disadvantage: We might persuade Iranian radicals that we had given up, or were paper tigers, or both. Our Arab allies might lose confidence. On the other hand, such gestures could be quickly revoked if Iran itself were not forthcoming or if the danger level rose. In any case, there are major benefits in making a series of positive gestures toward Iran indicating basic goodwill--even if not immediately reciprocated by Iran. The non-radicals will get the message.

Encouraging [illegible] to non-Radicals

g. Bargaining with the USSR. We have little leverage here. However, the USSR in its public statements constantly stresses that the US is bent on placing Pershing missiles in Israel, Pakistan and Turkey. In theory these are bargaining chips which could be "given away" at no cost in exchange for some "understanding" over Iran. The main problem is that we can hardly warn the Soviets against establishing better ties with Tehran, or even supplying arms to Tehran. These are not belligerent acts in and of themselves and our major problem in Iran is not Soviet invasion but rather support to radical forces who might move the country closer to Moscow.

7. On reflection I believe that the option most constructively oriented is that of inserting Western allies and friends into Tehran quickly through the arms door. It would meet with broad support by all of them and is a "positive" policy. The Arabs will be less happy--especially Iraq. But most Gulf Arabs want a de-fanged Iran and would not object to better Western ties in Tehran if it leads to moderation.

-- The risk of perpetuating the war is there. But the Western card is easily undertaken and can be coupled with other US positive gestures discussed above. We need not rule out sticks--especially those against Iranian allies like Qadhafi. Diminished political, economic, and military isolation could have much positive effect on a shaky Tehran regime--especially if some quid pro quo was sought from Iran by our allies in moving into Iran in a big way.

8. Our tilt to Iraq was timely when Iraq was against the ropes and the Islamic revolution was on a roll. The time may now have come to tilt back--at least via our allies--to ensure the Soviets lose both attraction and potential access to the clergy.

Graham E. Fuller

Graham E. Fuller

~~SECRET~~/NOFORN

D 575

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NIC 02545-85
17 May 1985

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

SUBJECT: Toward a Policy on Iran

NIC/NIO/NESA:GEFuller:jcn 17 May 85 X6152

Distribution:
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Outside

1 - Howard Teicher, NSC
1 - Jock Covey, NSC/ME
~~1~~ - Richard W. Murphy, Asst. Sec. NEA
1 - James A. Placke, Deputy Asst. Sec. NEA
1 - Peter Rodman, Director of Policy Planning, State

now
to
G. Shultz

Declassified/Released on 12 May 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

SECRET UNCLASSIFIED

~~TOP SECRET~~

THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D C. 20301-2400

INTERNATIONAL SECURITY AFFAIRS

I the forwarded version at TAB B which was signed by SecDef

UNCLASSIFIED

13 JUL 1985

D 576

Declassified/Released on 13 May 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

MEMORANDUM TO THE UNDER SECRETARY OF DEFENSE FOR POLICY

SUBJECT: US Policy Toward Iran (S)

(TS) I agree with nearly all your changes and have revised the memorandum from Secretary Weinberger to Bud McFarlane accordingly. However, I recommend against several of your changes and would like you to consider the following:

-- First, I agree with you that what we're really looking at is a "post-Khomeini" Iran and there is very little chance we can establish good relations with Iran as long as Khomeini is in control. At the same time, I don't think we want to give the impression in this paper that we should wait until Khomeini passes from the scene before doing anything. It's possible that Khomeini may live for several more years but be in such a senile state that he is no longer in control (similar to the latter years of Mao Zedong). Under such circumstances, we may be able to influence moderate elements of the regime and begin to achieve some of our long-range objectives before Khomeini dies. +

-- Second, I left in the recommendation to keep pressure on our allies to cease transferring military equipment to Iran. Although we have had some successes to date, maintaining (if not strengthening) our initiative is one of the few actions we can take to try to bring an end to the Iran-Iraq war. And if the war were to end, many of the pressures causing Iran to seek Soviet assistance would cease. Therefore, I believe we should not omit this initiative.

(TS) Attached are two versions of the memorandum. At Tab A the memorandum does not specify "post-Khomeini" when it refers to recommended actions and it contains the recommendation to lean on our allies to stop selling arms to Iran. The memorandum at Tab B is exactly the way you marked up the draft. Recommend you forward Tab A.

Rich

+ This is, of course, something
you want to consider in the
context of having [illegible] concern -
[illegible] "post K." we may
not be successful -
[illegible] on [illegible]

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~~TOP SECRET~~

9-33

CLASSIFIED AT TIME OF PUBLICATION.

9-39

7

ROUTING

(✓)	Name and Address	Date	Initials
1	R. C. McFarlane		
2			
3			
4			
5			
6			

X	ACTION		FILE
X	APPROVAL		INFORMATION
	COMMENT		PREPARE REPLY
	CONCURRENCE		RECOMMENDATION
	DIRECT REPLY	X	RETURN
	DISPATCH	X	SIGNATURE

REMARKS:

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N 10301

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Warning Notice
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533

Declassified/Released on 7 May 1987
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by B. Reger, National Security Council

~~TOP SECRET~~ UNCLASSIFIED

~~TOP SECRET~~ UNCLASSIFIED

MEMORANDUM

NATIONAL SECURITY COUNCIL

SYSTEM II
90656

[redacted]

SYSTEM IV
NSC/ICS 402010

June 11, 1985

N 10302

~~SECRET/WITH~~
~~TOP SECRET ATTACHMENT~~

ACTION

MEMORANDUM FOR ROBERT C. McFARLANE

FROM: DON PORTIER
HOWARD R. TEICHER HRT

SUBJECT: U.S. Policy Toward Iran

Attached at Tab A for your review is an NSC drafted NSDD on U.S. Policy Toward Iran. The NSDD is provocative. It basically calls for a vigorous policy designed to block Soviet advances in the short-term while building our leverage in Iran and trying to restore the U.S. position which existed under the Shah over the longer-term. This would require a sharp departure from ongoing overt and covert measures, most notably the supply of Western military hardware, U.S. initiative to dialogue with Iranian leaders, and activist covert actions.

Because of the political and bureaucratic sensitivities, we believe that it would be best for you to provide a copy of the NSDD draft only to Shultz and Weinberger (eyes only) for their comments. Whether to proceed with a restricted SIG, NSPG or other forum would depend on their reactions.

RECOMMENDATION

That you review the NSDD at Tab A and sign the memo at Tab I.

Approve M Disapprove_________

Attachments

Tab I Memo to Shultz and Weinberger
Tab A Draft NSDD

Partially Declassified/Released on 7 May 198[illegible]
under provisions of E.O. 12356
by B. Reger, National Security Council

~~SECRET/WITH~~
~~TOP SECRET ATTACHMENT~~

~~TOP SECRET~~

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N 10303

Declassified/Released on 7 May 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

TAB I

UNCLASSIFIED
~~TOP SECRET~~

SYSTEM IV
NSC/ICS 402010

THE WHITE HOUSE
WASHINGTON

N 10304

June 17, 1985

~~SECRET/WITH~~
~~TOP SECRET~~ ATTACHMENT

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

THE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

SUBJECT: U.S. Policy Toward Iran (TS)

The Director of Central Intelligence has just distributed an SNIE on "Iran: Prospects for Near-Term Instability", which I hope you have received. This SNIE makes clear that instability in Iran is accelerating, with potentially momentous consequences for U.S. strategic interests. It seems sensible to ask whether our current policy toward Iran is adequate to achieve our interests. My staff has prepared a draft NSDD (Tab A) which can serve to stimulate our thinking on U.S. policy toward Iran. I would appreciate your reviewing the draft on an eyes only basis and providing me with your comments and suggestions. I am concerned about the possibility of leakage should we decide not to pursue this change in policy with the President. If you feel that we should consider this change, then I would refer the paper to the SIG(FP) in preparation for an NSPG meeting with the President. (S)

Bud
Robert C. McFarlane

Declassified/Released on 7 May 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

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THE WHITE HOUSE
WASHINGTON

SYSTEM II
90656

June 17, 1985

N 10305

~~SECRET/WITH~~
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MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

THE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

SUBJECT: U.S. Policy Toward Iran ~~(S)~~

The Director of Central Intelligence has just distributed an SNIE on "Iran: Prospects for Near-Term Instability", which I hope you have received. This SNIE makes clear that instability in Iran is accelerating, with potentially momentous consequences for U.S. strategic interests. It seems sensible to ask whether our current policy toward Iran is adequate to achieve our interests. My staff has prepared a draft NSDD (Tab A) which can serve to stimulate our thinking on U.S. policy toward Iran. I would appreciate your reviewing the draft on an eyes only basis and providing me with your comments and suggestions. I am concerned about the possibility of leakage should we decide not to pursue this change in policy with the President. If you feel that we should consider this change, then I would refer the paper to the SIG(FP) in preparation for an NSPG meeting with the President. ~~(S)~~

Bud

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N 10306

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TAB A

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THE WHITE HOUSE

WASHINGTON

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NATIONAL SECURITY DECISION
DIRECTIVE

N 10307

U.S. Policy Toward Iran

Dynamic political evolution is taking place inside Iran. Instability caused by the pressures of the Iraq-Iran war, economic deterioration and regime infighting create the potential for major changes in Iran. The Soviet Union is better positioned than the U.S. to exploit and benefit from any power struggle that results in changes in the Iranian regime, as well as increasing socio-political pressures. In this environment, the emergence of a regime more compatible with American and Western interests is unlikely. Soviet success in taking advantage of the emerging power struggle to insinuate itself in Iran would change the strategic balance in the area. [redacted] While we pursue a number of broad, long-term goals, our primary short-term challenge must be to block Moscow's efforts to increase Soviet influence (now and after the death of Khomeini). This will require an active and sustained program to build both our leverage and our understanding of the internal situation so as to enable us to exert a greater and more constructive influence over Iranian politics. We must improve our ability to protect our interests during the struggle for succession.

U.S. Interests and Goals

The most immediate U.S. interests include:

(1) Preventing the disintegration of Iran and preserving it as an independent strategic buffer which separates the Soviet Union from the Persian Gulf;

(2) Limiting the scope and opportunity for Soviet actions in Iran, while positioning ourselves to cope with the changing Iranian internal situation;

(3) Maintaining access to Persian Gulf oil and ensuring unimpeded transit of the Strait of Hormuz; and

(4) An end to the Iranian government's sponsorship of terrorism, and its attempts to destabilize the governments of other regional states. G

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SYSTEM II
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THE WHITE HOUSE
WASHINGTON

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N 10308

NATIONAL SECURITY DECISION
DIRECTIVE

U.S. Policy Toward Iran

Dynamic political evolution is taking place inside Iran. Instability caused by the pressures of the Iraq-Iran war, economic deterioration and regime infighting create the potential for major changes in Iran. The Soviet Union is better positioned than the U.S. to exploit and benefit from any power struggle that results in changes in the Iranian regime, as well as increasing socio-political pressures. In this environment, the emergence of a regime more compatible with American and Western interests is unlikely. Soviet success in taking advantage of the emerging power struggle to insinuate itself in Iran would change the strategic balance in the area. [redacted] While we pursue a number of broad, long-term goals, our primary short-term challenge must be to block Moscow's efforts to increase Soviet influence (now and after the death of Khomeini). This will require an active and sustained program to build both our leverage and our understanding of the internal situation so as to enable us to exert a greater and more constructive influence over Iranian politics. We must improve our ability to protect our interests during the struggle for succession.

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We also seek other broad and important, if less immediately urgent, goals.

(1) Iran's resumption of a moderate and constructive role as a member respectively of the non-communist political community, of its region, and of the world petroleum economy;

(2) continued Iranian resistance to the expansion of Soviet power in general, and to the Soviet occupation of Afghanistan in particular;

(3) an early end to the Iran-Iraq war which is not mediated by the Soviet Union and which does not fundamentally alter the balance of power in the region;

(4) elimination of Iran's flagrant abuses of human rights;

(5) movement toward eventual normalization of U.S.-Iranian diplomatic consular and cultural relations, and bilateral trade/commercial activities;

(6) resolution of American legal and financial claims through the Hague Tribunal; and

(7) Iranian moderation on OPEC pricing policy.

Many of our interests will be difficult to achieve. But given the rapidity with which events are moving, and the magnitude of the stakes, it is clear that urgent new efforts are required. In moving forward, we must be especially careful to balance our evolving relationship with Iraq in a manner that does not damage the longer term prospects for Iran.

Present Iranian Political Environment

The Iranian leadership faces its most difficult challenges since 1981. The regime's popularity has declined significantly in the past six months, primarily because of intensified disillusionment with a seemingly unending war, the continued imposition of Islamic social policies on a population increasingly reluctant to accept such harsh measures, and a faltering economy brought on primarily by declining oil revenues. The impact of these problems is intensified by the realization that Ayatollah Khomeini's mental and physical health is fragile, which in turn casts a pall of uncertainty over the daily decision-making process.

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Unless the acceleration of adverse military, political and economic developments is reversed, the Khomeini regime will face serious instability (i.e. repeated anti-regime demonstrations, strikes, assassination attempts, sabotage and other destabilizing activities throughout, increasingly involving the lower classes). This condition will sap officials' energies and government resources, intensifying differences among Iranian leaders as the government tries to avoid mistakes that would provoke popular upheaval and threaten continued control.

While it is impossible to predict the course of the emerging power struggle, it is possible to discern several trends which must be accounted for by U.S. policy. As domestic pressures mount, decision-making is likely to be monopolized by individuals representing the same unstable mix of radical, conservative and ultra-conservative factions that now control the Iranian government. The longer Khomeini lingers in power, the more likely the power struggle will intensify, and the greater the number of potential leaders who might affect the outcome of the struggle.

The ultimate strength of various clerical groups and the power coalitions they may form are not known. However, the weaknesses of various opposition groups -- inside Iran and abroad -- are evident, especially the lack of a leader with sufficient stature to rival Khomeini and his ideas. The most likely faction in a power struggle to shift Iranian policy in directions more acceptable to the West -- should their influence increase -- are conservatives working from within the government against the radicals. Radicals within the regime, and the leftist opposition, are the groups most likely to influence the course of events in ways inimical to Western interests.

The Iranian regular armed forces represent a potential source of both power and inclination to move Iran back into a more pro-Western position. Representatives of every faction inside and outside the regime recognize the potential importance of the military and are cultivating contacts with these forces. However, as long as the Army remains committed in the war with Iraq it will not be in a position to intervene in Tehran.

The other instrument of state power, the Revolutionary Guard, is becoming increasingly fractured. It will probably come apart following Khomeini's death, and might even engage in a major power struggle before then. In any scenario, the Guard will be at the center of the power struggle.

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The Soviets are well aware of the evolving developments in Iran. They will continue to apply carrot-and-stick incentives to Iran in the hope of bringing Tehran to Moscow's terms for an improved bilateral relationship that could serve as a basis for major growth in Soviet influence in Iran. Moscow will clearly resist any trend toward the restoration of a pro-Western Iranian government.

Despite strong clerical antipathy to Moscow and communism, Tehran's leadership seems to have concluded that improvement of relations with the Soviet Union is now essential to Iranian interest. They do not seem interested in improving ties with us. This Iranian assessment is probably based on Tehran's view of what Moscow can do for -- and against - Iran rather than on an ideological preference to conduct relations with Moscow. The USSR already has much leverage over Tehran -- in stark contrast to the U.S.

Moscow views Iran as a key area of opportunity. [redacted] In return, Moscow is certain to offer economic and technical assistance, and possibly even military equipment. While they have heretofore balked at providing major weapon systems, the Soviets might relax their embargo if the right political opportunities presented themselves. While Moscow would probably not act in a manner that severely disrupts its relations with Baghdad, given Iraq's dependency on the USSR for ground forces equipment, Moscow possesses considerable room for maneuver if it senses major openings in Tehran for the establishment of a position of significant influence.

Moscow may also pursue a strategy based on support of separatist movements. The Soviet Union has had ample opportunity to cultivate the ethnic groups that cut across the Soviet-Iranian border. Most ethnic groups are unlikely to challenge the central government in Tehran as long as they fear severe reprisals. But in the areas of Iran adjacent to the Soviet border, the Soviets can provide a security umbrella to protect rebellious ethnic groups from reprisals.

The U.S. position in Tehran is unlikely to improve without a major change in U.S. policy. The challenge to the U.S. in the post-Khomeini period will be severe. Any successor regime will probably seize power in the name of Islam and the revolution and

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can be expected to have a built-in anti-American bias. A more conservative regime, still Islamic, might lessen the emphasis on revolution and terrorism and could move cautiously toward a more correct relationship with the U.S. On the other hand, radical forces will try to exacerbate anti-American feelings to strengthen their own positions at the expense of the conservatives.

Our leverage with Iran is sharply reduced by the current degree of hostility that springs from the ideology of the radical clergy, especially as it serves their foreign policy goals. Moreover, the moderate and conservative elements of the clergy may also share the radicals' belief that we are inveterately hostile to the Islamic government, making accommodation with the U.S. impossible. The clerical regime continues to believe that the U.S. has not accepted the revolution and intends to reverse the course of events and install a puppet government. This perception has been reinforced by our restoration of diplomatic relations with Iraq, efforts to cut the flow of arms to Iran, and direct threats of military action in retaliation for Iranian-inspired anti-U.S. terrorism.

U.S. Policy

The dynamic political situation in Iran and the consequences for U.S. interests of growing Soviet and radical influence, compel the U.S. undertake a range of short- and long-term initiatives that will enhance our leverage in Tehran, and, if possible minimize that of the Soviets. Particular attention must be paid to avoiding situations which compel the Iranians to turn to the Soviets. Short-term measures should be undertaken in a manner that forestalls Soviet prospects and enhances our ability, directly and indirectly, to build U.S. and Western influence in Iran to the maximum extent possible in the future. Planning for the following initiatives should therefore proceed on a fast and longer-term track. The components of U.S. policy will be to:

(1) Encourage Western allies and friends to help Iran meet its import requirements so as to reduce the attractiveness of Soviet assistance and trade offers, while demonstrating the value of correct relations with the West. This includes provision of selected military equipment as determined on a case-by-case basis.

[redacted]

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(3) Increase contacts with allies and friends [redacted] on the evolution of the Iranian situation and possible means for influencing the direction of change, and be ready to communicate with Iran through these or other countries [redacted]

(4) Take advantage of growing political fragmentation by:

-- discreetly communicating our desire for correct relations to potentially receptive Iranian leaders;

-- [redacted]

-- providing support to elements opposed to Khomeini and the radicals.

(5) Avoid actions which could alienate groups potentially receptive to improved U.S.-Iranian relations.

(6) Respond to Iranian-supported terrorism with military action against terrorist infrastructure.

(7) Enhance our effort to discredit Moscow's Islamic credentials with a more vigorous VOA effort targeted on Iran.

(8) Develop action plan in support of the basic policy objective, both for near-term contingencies (e.g. death of Khomeini) as well as the long-term restoration of U.S. influence in Tehran.

(9) With respect to the Gulf war:

-- Continue to encourage third party initiatives to seek an end to the war;

-- Increase military cooperation with Gulf Cooperation Council countries, and bolster U.S. military capabilities in the Gulf area to enable CENTCOM to be fully capable of carrying out its mission; and

-- Seek to curb Iran's collaboration with its radical allies (i.e. Syria and Libya).

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To	Name and Address	Date	Initials
1	D. Fortier	7/22	
2	H. Teicher	7/22	
3			
4			
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xx	ACTION		FILE
	APPROVAL		INFORMATION
	COMMENT		PREPARE REPLY
	CONCURRENCE		RECOMMENDATION
	DIRECT REPLY		RETURN
	DISPATCH		SIGNATURE

REMARKS:

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1/25/88

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

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Central Intelligence Agency

Washington, D.C. 20505

N 7583

18 July 1985

MEMORANDUM FOR: The Honorable Robert C. McFarlane
Assistant to the President for
National Security Affairs

SUBJECT: Draft NSDD re U.S. Policy Toward Iran

1. I strongly endorse the thrust of the draft NSDD on U.S. Policy Toward Iran, particularly its emphasis on the need to take concrete and timely steps to enhance U.S. leverage in order to ensure that the USSR is not the primary beneficiary of change and turmoil in this critical country. While I am broadly in agreement with its assessment of the current political situation, the NSDD needs to reflect more fully on the complex of Soviet motives and recent actions towards Iran and their implications for U.S. policy initiatives. Moreover, I believe that the NSDD should be more precise about the extent and nature of domestic disaffection with the regime and about the potential for encouraging a more pro-Western stance within the regular armed forces and the Revolutionary Guard. Finally, I offer some specific suggestions on the draft itself that refine and add to the proposed U.S. policy actions.

2. The draft NSDD portrays the current Iranian regime as moving to improve its relations with the Soviet Union because of Iran's mounting difficulties. While true, it ignores the following recent developments indicating that Moscow has rebuffed the Iranians:

-- [redacted]

-- The Soviets recently withdrew between 1,000 and 1,500 Soviet economic advisers from Iran.

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DECL OADR

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SUBJECT: Draft NSDD re U.S. Policy Toward Iran

N 7584

-- Soviet-Iranian trade has declined significantly over the past year.

-- The Soviets have resumed a hard-line stance in their propaganda on Iran.

There are several possible explanations for these Soviet actions. Moscow may be questioning Tehran's sincerity in changing its anti-Soviet posture during its recent approaches to Moscow. The Soviets also may believe that the current Iranian regime has nowhere else to turn and that they may be able to wring real concessions from Iran bv tightening the pressure. Moscow also my be trying to force Iran to end the war with Iraq.

3. This downturn in Soviet-Iranian relations strengthens the case made in the NSDD for our Allies filling the vacuum left by the withdrawal of Soviet economic advisers and the downturn in Soviet-Iranian trade. [redacted] are well positioned to help on the projects abandoned by the Soviets. Quick action could block a future return of the Soviets to these projects and remove a major source of Soviet influence in Iran.

4. On the question of the declining popularity of the regime, I would underline that the recent decline has largely occurred among that portion of the populace that is largely uncommitted and passive. The regime still retains steadfast adherents among the lower and peasant classes that are very active politically. At the same time, the NSDD could better reflect that we have seen evidence of a growing cleavage between those loyal to the regime and those opposed to it. U.S. actions--[redacted] can exploit this cleavage and activate the uncommitted.

5. In formulating U.S. policy, we need to keep in mind that Iranian policy actions do not spring from a single source. The NSDD therefore might usefully highlight on page 3 that we might well witness a move toward moderation and accommodation on the part of the pragmatists while at the same time the radicals will be seeking to undermine those policies and seek the initiative through engaging in terrorist acts designed to radicalize the atmosphere and upstage the pragmatists.

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N 7585

SUBJECT: Draft NSDD re U.S. Policy Toward Iran

[redacted]

7. [redacted] Given our serious concerns about this evolution of a post-Khomeini regime and the likely important role of the Revolutionary Guard in a future Iran, I believe the draft NSDD should include an explicit statement in point 4, page 5 that we seek to develop contacts with leaders in the [redacted]

8. The following are comments or recommendations on specific points in the NSDD:

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SUBJECT: Draft NSDD re U.S. Policy Toward Iran N 7586

-- [redacted]

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-- The U.S also should find opportunities for public statements that stress that we have no antipathy towards Islam and furthermore that we view Islam as a positive moral force in the region in an age when materialism and atheism are on the rise. We should also make clear our lack of hostility to an Islamic Republic in Iran as long as international norms of terrorism and subversion are not violated.

-- I agree strongly with points 3 and 5 on page 6 of the draft NSDD that we should seek to open lines of communications to the existing Iranian leadership and should avoid actions that could alienate Iranians potentially receptive to improved relations with the U.S.. At the same time, if the US adopts point 6 and responds to Iranian-supported terrorism with [redacted]

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SUBJECT: Draft NSDD re U.S. Policy Toward Iran N 7587

[redacted] economic reprisals.

W. J. Casey

William J. Casey
Director of Central Intelligence

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[illegible] former President of the [illegible] of the American Bar [illegible]
17 June 1985 [illegible]

9-48

MEMORANDUM FOR: Chief, Near East Division, DO

FROM: Director of Central Intelligence

SUBJECT: Release of Hostages

1. John Shaheen [redacted]

2. Shaheen received a call from a Dr. Cyrus Hashemi who is currently in Hamburg at the Hilton Hotel in Room 703. Hashemi has tried to get in touch with us before offering to put us in touch with leading figures in the Iranian Government. When we learned that Hashemi is under investigation for violations of export control laws, we pulled away.

3. His recent call to Shaheen offered a change in Iranian policy (or information about a change in policy) that he could provide if the American Government would be able to get him a nolle prosequi -- in short, if we are able to take the pending indictment for conviction off his back. Shaheen said that he had no power to do that but then asked whether Hashemi's contacts with the Iranian government were good enough to spring the hostages if he could be gotten off the hook. Shaheen did this knowing that there have been occasions where nolle prosequis had been arranged for high national security considerations. What he was doing was feeling out Hashemi to see what kind of a reaction he would get. Hashemi said he would call back and in two hours he was back on the phone having, he said, talked to the [redacted] He came back asking for the release of the DAWA hostages, plus TOW weapons, plus his nolle prosequi. Shaheen dismissed this saying no weapons, no DAWA prisoners. Then again, to feel him out, said, although I can't speak for the US Government, I understand that it will not negotiate with terrorists, and you might be able to get some Italian medical supplies or something like that [redacted] Again Hashemi said he would check and called back within a couple of hours claiming that he had talked again to [redacted] and that they weren't interested in Italian medical supplies but they were willing to have a high ranking representative from Tehran [redacted] as early as Wednesday or Thursday of the coming week. He would have an agenda of what they were interested in. [redacted]

DO 4967

CL BY [redacted]
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DATE 20 May 87

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4. [redacted]

5. Dr. Hashemi claims to be in touch with [redacted] and says he knows about a recent attempt by George Bush's brother, together with a man named Shekeleh (no further identification) to contact the Iranians on this. Shaheen claims that he has made it clear that he can't do it for anything, that the US Government does not deal with terrorists, that if there is a meeting [redacted] nothing at all could be agreed upon in advance, that it would be up to the Iranians to tempt the [redacted] with an offer which [redacted] might be able to work out.

6. This should probably be taken up with Dick Murphy to see whether it is ready under the circumstances to see if [redacted] would be willing to listen to whatever proposition the Iranians might have in mind bringing [redacted] and to listen to whatever surrounding information might be available.

7. I ran into Rick Burt last night and discuss this with him. He thought that it was interesting and indicated that there had been recent knowledge that a nolle prosequi had been arranged and said he would talk to Dick Murphy about it. I think we might touch base with the Assistant Secretary of State for International Organizations as well as with Murphy and in doing so tell Dick about Burt's reaction. I suggest that he might want to check with Burt.

William J. Casey

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REVIEWED FOR RELEASE
DATE 20 May 87
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Chapter 9 FN : 13, 48

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9-48

1. SUMMARY: On 22 April 1986, the United States Customs Service and the United States Attorney's Office for the Southern District of New York announced the indictment of seventeen individuals on charges that they were participants in an illegal scheme to smuggle $2.5 billion in American-made warplanes, missles and other weapons to Iran. This case has received prominent play in the foreign and domestic press (see attachment) and has been of interest to the Israeli government due to the involvment of a retired Israeli general. The bait in Custom's sting operation was Cyrus Hashemi, a former Agency and State Department contact. Hashemi's previous relationship with United States government agencies could be an issue at trial. The case is tentatively set to go to trial in November 1986.

2. Cyrus Hashemi is well and unfavorably known to the Directorate of Operations and the Department of State. The following is a summary of our involvment with Mr. Hashemi.

A. In early 1980, during the Iranian hostage crisis, Hashemi made representations to State that he could serve as a channel for negotiations concerning the hostages. [redacted] It developed that Hashemi did not have the ability to perform as projected and it was suspected that his offers were part of a scam.

B. During 1983 and early 1984, Hashemi was under investigation for arms export control violations. In separate meetings with the Agency and the Department of State, Hashemi's attorneys threatened to tell all if their client was brought to trial. It was the DDCI's decision that the Agency would have no objection to prosecution even in light of Hashemi's attempts at graymail. State was more reluctant because of the damage revelations would have on foreign relations. A federal arrest warrent was issued in May 1984 on Hashemi. His flight from prosection to Europe effectively put the prosecution on the shelf.

C. In June 1984, the DCI learned from John Shaheen, a personal acquaintance of the DCI, that Hashemi had information he wished to pass to the Agency. Because Hashemi was a fugitive from justice, Shaheen was informed by the DCI that the Agency had no interest in pursuing Hashemi's offer.

D. During June - August 1985 Shaheen and one of Hashemi's attorneys were in contact with the Agency regarding Hashemi's alleged ability to intercede with Iranian officials to secure the release of the hostages in Lebanon. Hashemi sought to arrange for charges against him to be dropped in return for his cooperation. Both the Agency and State investigated Hashemi's claims, with no positive results.

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REVIEWED FOR RELEASE DATE 20 May 87 HSC TBSC

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UNCLASSIFIED Chapter 9 FN# 13/129, 48

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3. Until his death of natural causes in [illegible] July of 1986, Hashemi was to be one of the primary witnesses at trial. Even though we had no part in the Customs sting operation, the Agency may be brought into the case because the defense may make an issue of Hashemi's attempts to contact the Agency to secure favorable treatment on his 1984 indictment.

4. Representatives from the Directorate of Operations and the Office of General Counsel have met with the Department of Justice attorney and the local prosecutor to brief them concerning our equities in this case and to allow them to review redacted versions of Agency documents. They have been made aware that our primary concerns are to protect from disclosure [redacted] the details of our involvment with the attempt to arrange the hostage release in 1985, the identities of covert sources, and the identities of covert CIA officers. As it now stands, we are anticipating that we will be compelled to acknowledge our relationship with Hashemi with a summary description of his post indictment activities that are relevant to an entrapment defense.

5. On 5 September 1986, we were informed that one of the defense attorneys had indicated to Mr. Hashemi's attorney, William B. Wachtel, interest in reviewing his file on Hashemi and discussing with him his knowledge of Hashemi's activities. Mr. Wachtel is inclined to assert attorney client privilege. Based on information in our files, it is obvious that Mr. Watchel is fully informed on Hashemi's dealings with various government agencies. OGC is currently discussing with Justice and State attorneys means to prevent the release of classified information by Mr. Wachtel.

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CIIN 3792

[illegible] FOR RELEASE
DATE 20 May 87
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Chapter 9 FN #13 3c
#7878 130
9031

UNCLASSIFIED [redacted]

MEMORANDUM FOR: [redacted]
Chief, [redacted]

ATTENTION: [redacted]

FROM: [redacted]
Chief, [redacted]

SUBJECT: OGC Name Trace Request

REFERENCE: A. [redacted] Two-Way Memo dated 13 May 1986
B. OGC-86-51313 dated 9 May 1986

1/25 97

4569

1. The following is in reference to your request dated 13 May 1986 for information concerning referenced subjects. (U)

2. [redacted] surfaced on Cyrus Hashemi-Naini, DPOB: 26 December 1939, Iran. The following updates previous information provided to the Office of General Counsel on Hashemi and OGC-84-1472 of 7 February 1984 which details OGC's meeting with Hashemi's attorney.

A. On 17 May 1984, A federal arrest warrant was issued on Hashemi for arms export control violations. As of 25 May 1984, Hashemi was reported to be in London.

B. [redacted]

C. During June - August 1985, a Hashemi intermediary and one of his attorneys was in contact with the agency regarding Hashemi's alleged ability to intercede with Iranian officials to secure the release of the hostages in Lebanon. Much time and effort was spent in this endeavor which was fruitless. Hashemi sought to arrange a nolle prosequi in return for his cooperation. (U)

D. In December 1985, representatives of the Directorate of Operations and OGC met with U. S. Customs officials to discuss their proposal to use Hashemi. They were told in general terms of his background. They were also informed that he was described in our files as a sleazy and slippery character who had previously been involved in nefarious activities. The Customs officials indicated that they would be in further contact with more specific requirements. The DDO was unaware of Customs' ongoing activities with Hashemi until charges were brought on 22 April 1986. (U)

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UNCLASSIFIED

CIIN 3743

May 87
HPSCI/SSC

DO 49473

Chapter 9
FN #48

Washington, D.C. 20520 6/22/85

UNCLASSIFIED

June 22, 1985

Under Secretary Armacost
DATE: 24 JUN 1985

ACTION MEMORANDUM
S/S

S 3812

R0016
R0016A (attached)

~~SECRET/SENSITIVE~~

TO: P - Mr. Armacost

FROM: NEA - Richard W. Murphy

SUBJECT: Possible Iranian Contact Via Cyrus Hashemi

ISSUE FOR DECISION

Whether to pursue a meeting brokered by Cyrus Hashemi to discuss "hostages" with an Iranian official.

Declassified/Released on 5/6/87
under provisions of E.O. 12356
by B. Reger, National Security Council

ESSENTIAL FACTORS

You will recall our earlier discussions on the Cyrus Hashemi case, about which Elliot Richardson had called you. Hashemi, who is living in West Germany, has now reentered the scene and has contacted a friend of Bill Casey's, with an offer to bring forward an Iranian official to discuss "U.S. hostages" in return for lifting a U.S. indictment for 1979-82 arms trading now outstanding against Hashemi (see attached CIA report which [redacted] gave us). Justice has no interest at this time in releasing Hashemi from the indictment (although it would be difficult to extradite him and he cannot be prosecuted unless he enters the U.S.) and we do not want to take any action which might prejudice Justice's case against him.

While the chances may be slim that Hashemi can deliver an appropriately senior Iranian for a Bonn meeting next week, as he has undertaken, we would nevertheless not want to pass up an opportunity to talk with an appropriate Iranian official about the hostages. (In this case we presume he is talking about the seven hostages who have been held for lengthy periods by Iranian-influenced groups in Lebanon). Hashemi has a sleazy record [redacted] But he does appear to have some top contacts in the Iranian hierarchy.

I consulted urgently with Justice on June 21 to ascertain its reaction to the Hashemi proposal. We had suggested that no USG official would meet with Hashemi and the official from Tehran since we do not want to jeopardize the case against the former. We suggested that we could ask the [redacted] to send

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DOS DOCUMENT No. 24

#128

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a professional to listen to the Iranian representative [redacted] next week.

[redacted]

L reports that Justice, taking into consideration the current hostage crisis, felt that we could go ahead with the Hashemi-arranged contact next week. Justice understands that we would be in a listening mode and would undertake no discussion which could be construed as negotiation with Hashemi. Justice also thought that if we could not identify a third country official to do the job that we could send a U.S. citizen, including possibly a USG employee, but would prefer we not be directly involved in discussion with Hashemi.

Although we would prefer not to deal, even indirectly with Hashemi, and the chances for a successful meeting are slim, on balance, we believe we should go ahead using a [redacted] representative. We would be very clear that he [illegible] have any authority to negotiate on behalf of the US with the Iranian representative and would basically be there to listen. Once we have the results of the discussion, we can decide how to proceed.

We will keep the close touch with the [redacted] front office if we decide to go ahead.

Finally, Bill Casey is very anxious to move ahead on this proposal. I suggest you call him to say we are urgently working on the issue and will be back to him as soon as possible. We have passed the same message to [redacted] [illegible]

RECOMMENDATION:

That you authorize NEA to explore the possibility of a meeting in Bonn of a third country diplomat with an Iranian official.

Approve ________ Disapprove ________

Alternatively, that you authorize a USG official to attend the meeting.

Approve ________ Disapprove ________

5/6/87

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Attachment:
Casey Memo of June 17
DRAFTED: NEA/NGA:APBurleigh 6/20/85
Wang 3115A x. 6313

Clearances: L:LPollard
NEA:JPlacke
NEA:ARaphel

S 3814

UN[illegible]ED 5/6/87

~~SECRET/SENSITIVE~~

Super Sensitive

[illegible] REVIEW

Cat. A - Caption removed; transferred to O/FADRC
Cat. B - Transferred to O/FADRC with additional access controlled by S/S
Cat. C - Caption and custody retained by S/S

Reviewed by: Elijah Kelly Jr
Date: [illegible]

UNCLASSIFIED

Chapter 9 FN #48

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C9082

MEMORANDUM FOR THE RECORD

SUBJECT: Message for John Shaheen to Pass to Hashemi re: [redacted] Contact with Two Iranians

1. I phoned Shaheen at 1800 hours on 12 July to give him the State Department approved plan. I gave it to him in two phases. The first was for his information only, that we have confirmed [redacted] is an important figure [redacted] The second name we were given by Hashemi has been confirmed to us to be a fabricator and unreliable. In fact we have had a previous bad experience with him on the hostage issue. I told Shaheen not to provide this information to Hashemi.

2. Hashemi is to be given the following [redacted] will be prepared to meet at a time of the Iranian's convenienc [redacted] [redacted] wi [redacted] He may bring MANOUCHEHR with him if he wishes. [redacted] will not repeat not meet with MANOUCHEHR alone. Shaheen replied that he got the point; it made sense to him; and he would send it promptly to Hashemi, who is probably in Geneva.

3. Shaheen departs for Tokyo at 1100 hours on 13 July and will be at the Tokyo Imperial Hotel for about a week after Sunday noon. I have his phone number.

4. The above plan was proposed by us to DAS Arnie Raphel and approved by Mike Armacost on Friday afternoon. They will send another interim cable [redacted]

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EXHIBIT
CE 12

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20 May 87
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9033

9 July 1985

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under provisions of E.O. 12356
by B. Reger, National Security Council

MEMORANDUM FOR THE RECORD

SUBJECT: New Developments on the Shaheen-Hashemi Indirect Channel to Iran

1. John Shaheen phoned late on 8 July with the two Iranian names who are willing to meet [redacted] They are: [redacted]

a. [redacted]

and

b. Manouchehr (lnu), a ranking Intel Officer.

[redacted] Hashemi claims that Manouchehr was helpful in the release of the TWA 39 hostages [redacted] (We know of no basis for this claim).

2. Hashemi claims that the Iranians are more interested in a change of course than in any other quid pro quo. When asked to clarify whether that meant a US change of policy or an Iranian change, Shaheen said he thought it meant both; i.e., a change in the course of US-Iranian relations. Hashemi claims that Syria will not be involved in the release of the seven remaining hostages because Hizballah deals directly with Iran.

3. Shaheen said, "We are not dealing with children; Hashemi now insists that it be made clear to the US Government that as soon as the seven hostages are sprung, he will get his nolle prosequi." Hashemi asked for confirmation from Shaheen which government agency was involved. Shaheen told him on the international phone lines that it was the Bureau of Fisheries. Hashemi replied that whether it was Weinberger, Schultz, Casey, or the Bureau of Fisheries, his lawyer, Elliot Richardson, needs at this time to confirm that the US Government acknowledges Hashemi's helpful role if the seven hostages are released. (I later phoned Shaheen back at his insistence to repeat the previous talking point from State.) "Our willingness to hav[redacted] meet with a confidential representative of Iran as an initial step does not mean any willingness on the US Government's part, [illegible]nt of Justice, to take

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any judicial step concerning Mr. Hashemi. The possibility of any such step could only be addressed, if at all, after the US Government has learned from the [redacted] first meeting. Shaheen said he did not think that would be enough for Hashemi. He will phone back on 9 July (possibly to the DCI) to urge that someone in the US Government confirm to Elliot Richardson that this is a legitimate US Government channel that Hashemi is assisting.

4. All of the above has been passed to Peter Burleigh at State. The next step is for State to confirm wi[redacted] that they are ready to meet with the two Iranians within the next week. I will then phone that back to Shaheen and the Iranians will advise through Hashemi their time of arrival [redacted]

[redacted]

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DO 49875

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DATE 20 May 87
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Chapter 9 FN# 48

SECRET/UNCLASSIFIED [redacted]

INCOMING

C 1475

[redacted]

85 78[redacted] ASO PAGE 001 IN 7836602
TOR: 1[redacted] JUL 85 [redacted]

S E C [redacted] 12[redacted] JUL 85 STAFF

CITE [redacted]

TO: IMMEDI[redacted]ECTOR INF[redacted]

[redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

SUBJECT: POSSIBLE CONTACT WITH IRANIAN GOVERNMENT REPS

DO 303159

REFS: A. [redacted]
B. DIRECTOR 444984 [redacted]

03 07/30

1. ON 12 JULY, [redacted] MET WITH [redacted] AND INFORMED HIM AS FOLLOWS: WE HAVE BEEN PRESENTED WITH AN OPPORTUNITY TO MEET WITH REPRESENTATIVES OF THE GOVERNMENT OF IRAN. THESE REPRESENTATIVES SAY THEY ARE IN A POSITION TO OBTAIN THE LIBERATION OF THE SEVEN AMERICAN HOSTAGES. THOUGH WE ARE SKEPTICAL WE FEEL WE MUST FOLLOW UP. THE REPRESENTATIVES AR[redacted] AND A CERTAIN MANOUCHER, SUPPOSEDLY A HIGH-RANKING IRANIAN INTELLIGENCE OFFICER. AN INTERMEDIARY HAS INFORMED US THAT WE CAN CONFIRM THE IDENTITY OF MANOUCHER [redacted]

[redacted]

[redacted]

[redacted]

REVIEWED FOR RELEASE
Date 3 March 87
HPSC & SSC

5. FILE [redacted] DECL OADR DRV ~~HUM [illegible]~~. ALL SECRET.

[redacted]

UNCLASSIFIED SECRET [redacted]

3142a

12 Jul 85

C1476

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7/11
11 July 85

Arnie--

Update on the Hashemi escapade. As of last night, DC/NE(CIA) [redacted] was still negative about the two names offered -- [redacted] and Manachehr (intell officer). [redacted]

It turns out [redacted] that he was a fabricator. According to [redacted] our only knowledge of [redacted] in the biographic files is through reporting from Manachehr who claimed, among other things, that [redacted] was the individual responsible for the kidnapping of William Buckley". In other words, CIA has been around this same issue [redacted] earlier and had come to the conclusion that he was not reliable. DC/NE(CIA) [redacted] inclination, thus, was to recommend to Casey that the Hashemi connection be dropped. He said they would do nothing, however, pending further word [redacted] This issue may come up at the 3:00 pm meeting with C/NE (CIA) [redacted]

Our Manachehr, the one Steve Grummon resurrected from his files, is another one apparently (see attached TD, part 2D).

If they do want to kill the initiative, it would be worth asking if they are sure that their Manachehr is the one in question, i.e., it's a fairly common name and how do they know its the one who was the fabricator? We have not been able to identify [redacted] variously described as [redacted] or [redacted]

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Date 27 March 87
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374 Peter

O'FRIEN

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OUTGOING

C 14.77

OUTGOING MESSAGE

85 78[redacted] ASD PAGE 001
TOT: 0[redacted]JUL 85 DIRECTOR 444984

S E C R[redacted]
STAFF-0[redacted]984
TO: IMM[redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

SUBJECT: POSSIBLE CONTACT WITH IRANIAN GOVERNMENT REPS

1. THROUGH A COMPLEX SERIES OF LEADS WE HAVE BEEN PRESENTED WITH AN ALLEGED OPPORTUNITY TO MEET WITH REPRESENTATIVES OF THE IRANIAN GOVERNMENT. THESE REPRESENTATIVES PURPORTEDLY ARE CAPABLE OF SECURING THE RELEASE OF THE SEVEN HOSTAGES. WHILE WE ARE SKEPTICAL THAT THIS IS A BONA FIDE INITIATIVE WE MUST FOLLOW-UP UNTIL WE ARE MORE CONFIDENT ABOUT WHAT WE ARE DEALING WITH.

2. THE ALLEGED REPRESENTATIVES ARE [redacted] AND A MANOUCHEHR ((LNU)), A RANKING IRANIAN INTELLIGENCE OFFICER. AN INTERMEDIARY HAS ADVISED US THAT WE CAN CONFIRM THE FULL IDENTITY OF THE LATTER [redacted]

3. [redacted]

4. FYIO: HOS SUSPECTS MANOUCHEHR IS IDENTICAL WITH [redacted] WE NOTE [redacted] IS RESIDENT IN EUROPE. WE ALSO NOTE THAT ALL OUR INFORMATION [redacted] STEMS FROM [redacted] REPORTING. AS YOU KNOW, WE BELIEVE [redacted] TO BE A FABRICATOR AND HAVE CIRCULATED A BURN NOTICE ON HIM (DIRECTOR 023056).

5. PLEASE ADVISE. GREATLY APPRECIATE ASSISTANCE.

6. FILE: [redacted] DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: [redacted]; AUTH: [redacted]; COORD: [redacted] (); REL: [redacted] CL BY [redacted]

END OF MESSAGE SECRET

EXHIBIT
CG-24

DO 00$156
03 01/30

REVIEWED FOR RELEASE
Date 27 March 87

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UNCLASSIFIED [redacted]

[redacted]

9 Jul 85

Chapter 9 FN 48

UNCLASSIFIED [redacted]

23 July 1985

C 9072

MEMORANDUM FOR THE RECORD

SUBJECT: Hashemi Claims He will Set Up Meeting [redacted] After All

1. John Shaheen phoned me from Tokyo late Saturday evening, 20 July to say that Hashemi has been in touch, obviously via international phone. Shaheen said since we will not meet with the Hashemi lawyer, Elliot Richardson, as Hashemi demanded, Hashemi has decided to proceed anyway with setting up the meeting [redacted] When I expressed surprise, Shaheen said it is the only shot that Hashemi has to get his nolle prosequi.

2. The next step is for Hashemi to advise the date of the meeting [redacted]

3. Shaheen again apologized for the mistake of his secretary in giving Mr. Elliot Richardson my office telephone number. He said it happened because she was not witting of my interests, and he was out of touch in rural Japan.

4. Arnie Raphel at State has been notified of the above.

[redacted]

EXHIBIT
CE-29

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by B. Reger, National Security Council

DO 49[illegible]

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DATE 20 May 87
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DD/O 85-1352

C 9075

19 August 1985

MEMORANDUM FOR THE RECORD

SUBJECT: Status of Hashemi-Elliot Richardson Contact

1. Elliot Richardson phoned the DCI on 14 August to find out if the illusive [redacted] (the undersigned) worked for the DCI and to see if a meeting could be arranged to find out the Agency's intentions toward his client, Mr. Hashemi. At the DCI's instruction, I telephoned Mr. Richardson back to repeat the status of our relationship with Mr. Hashemi.

2. Mr. Richardson was informed that the ball remains in Mr. Hashemi's court, as it was the last time we talked on 16 July. Mr. Richardson said that he understood that Hashemi had dropped his condition, i.e., that Hashemi would do nothing until the US Government spoke to his lawyer.

3. Mr. Richardson said that he was anxious to know if his client would be treated fairly, commensurate with the effort he was making on our behalf. I had him hold on the phone while I found the correct language in our file, then read him the language we received from State and Justice: "the possibility of any judicial consideration for Mr. Hashemi can only be addressed after the US Government has learned what the results of the first meeting in Europe is which Mr. Hashemi allegedly is setting up." Mr. Richardson tried to ask what "consideration" meant and to elicit further our thinking on the nolle prosequi. I repeated only that there was nothing further we could say until a meeting takes place. The ball has been in his client's court for some weeks and that frankly his client does not have a good track record in these matters. I also noted that Mr. Hashemi has an established channel through a third party when he wishes to reach us. Richardson replied that he had attempted to reach that third party (Mr. Shaheen) but was unsuccessful.

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EXHIBIT C.G.-32

3. Two problems occur:

a. I am no longer sure that Mr. Shaheen will be available as an intermediary in the event that Mr. Hashemi talks to us again. Perhaps the DCI has more information on Mr. Shaheen.

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DCI EXEC REG

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REVIEWED FOR RELEASE
DATE 20 May 87 HPSCI + SSC

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b. CIA OFFICER [redacted]

[redacted] Has he been introduced? When he is, presumably he would take over the Richardson connection as well.

[redacted]

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20 May 87

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15 July 1985

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by B. Reger, National Security Council

EXHIBIT
CG-27

MEMORANDUM FOR THE RECORD

SUBJECT: Hashemi Tries to Play Hard Ball

1. At 0930 on Saturday, 13 July, Mr. Shaheen phoned my home to say that Hashemi accepts our proposal that [redacted] must be present at the first meeting. Hashemi, however, added the condition that nothing further would be done to set up this first meeting until someone in the USG talked to his lawyer, Elliot Richardson. [redacted]

2. I repeated our previous position, that no consideration would be given to discussing Hashemi's legal problem until after the first meeting took place. Therefore, we consider further progress in this channel at an end until Hashemi withdraws his requirement that someone must speak to Richardson.

[redacted]

3. Shaheen agreed that this tactic made sense to him in view of the derogatory information we had on the other Iranian, MANUCHEHR. Shaheen was also at pains to say that he was anxious to be helpful to the DCI and was not in any sense a close friend of Hashemi. We agreed that in both the intelligence and oil businesses, not all deals pan out, and I gave him some profuse thanks for his efforts in this case.

4. The above was relayed to Peter Burleigh of State on Saturday, 13 July, and State forwarded a status report [redacted]

[redacted]

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[redacted]

CIIN 3803

20 May 87

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Chapter 9
FN #48

C 9073 - C-9074
(2pgs.)

DENIED IN

TOTAL

(4571)

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C 9073 150

FN 48

On 17 May 1984 a Federal Arrest Warrant was issued for Cyrus HASHEMI and his two brothers Jamshid and Reza for arms export control violations. The warrant is based on several proven violations of arms embargo. Reza was arrested in New York in May 1984 and is presently in jail. Cyrus and Jamshid are living in London. Cyrus, born circa 1940 in Iran, is U. S. citizen.

In an attempt to obtain a nolle prosequi, Cyrus HASHEMI, via John Shaheen, is reportedly intermediary in arranging a change of policy vis-a-vis U. S.-Iran relations. HASHEMI claims that Syria will not be involved in the release of the seven (July 1985) remaining hostages because Hizballah deals directly with Iran. Two Iranians are willing to meet with the [redacted] as an initial step; they are [redacted] and Manuchehr GORBANIFAR [redacted] - a known fabricator who has previously alleged he could place us in contact with [redacted] Despite our interest, [redacted] never was able to produce [redacted].

[redacted]

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DO 4900

CIIN 3803

20 May 87

HSC & SSC

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Chap 9 FN 42
151
C 9079

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UNCLASSIFIED

23 July 1985

MEMORANDUM FOR THE RECORD

SUBJECT: Hashemi Claims He will Set Up Meeting in [redacted] After All

1. John Shaheen phoned me from Tokyo late Saturday evening, 20 July to say that Hashemi has been in touch, obviously via international phone. Shaheen said since we will not meet with the Hashemi lawyer, Elliot Richardson, as Hashemi demanded, Hashemi has decided to proceed anyway with setting up the meeting between the [redacted] and the Iranian, [redacted] When I expressed surprise, Shaheen said it is the only shot that Hashemi has to get his nolle prosequi.

2. The next step is for Hashemi to advise the date of the meeting in [redacted]

3. Shaheen again apologized for the mistake of his secretary in giving Mr. Elliot Richardson my office telephone number. He said it happened because she was not witting of my interests, and he was out of touch in rural Japan.

4. Arnie Raphel at State has been notified of the above.

[redacted]

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REVIEWED FOR RELEASE
DATE 20 May 8?

Chapter 4 FN

9-57

UNCLASSIFIED

22 November 1984

AMERICAN HOSTAGES IN LEBANON

N 7452

BACKGROUND

The former head of Savak's Department VIII, Counterespionage General Manucher Hashemi continues to monitor developments in Iran. His motivation for this effort is a desire to see Iran become a non-communist nation with an orderly and just form of government when Ayatollah Khomeini passes from the scene and his revolution becomes a spent force. In pursuit of this objective, General Hashemi believes he and other exiles, who have no political aspirations, can play a modest role in helping Iran to transition from its current chaos to a democratic society. He sees this happening via the process of exiles providing support, guidance and some coordination for "moderates" in Iran who have the courage, vision and resources required to prevent Iran from being dominated by Moscow. [redacted]

THE DIALOGUE TO DATE

The ebb and flow of the Iran-Iraq war since September 1980 has been of vital interest to oil companies. The trends of the conflict have, therefore, been monitored by risk analysis firms such as ours in order that our clients could be well informed. In seeking factual data on the struggle, we have harnessed various sources including the maintaining of contact with knowledgeable Iranian exiles. General Hashemi has been one of our emigre conversation partners. In October 1984 our dialogue with him took on a new form and substance in that he offered to put us in touch with a number of interesting Iranians who would be traveling in Europe in November 1984. We accepted the offer on the premise that it would help us to evaluate the quality of General Hashemi's future commentary as well as provide a first-hand assessment of what was likely to happen in the Iran-Iraq war which could impact on a volatile and oversold international oil market.

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HAMBURG MEETINGS

In the period 19 - 21 November 1984, a number of meetings were held in Hamburg, Germany with General Hashemi and Iranians that he introduced to us. This revealed that Manuchehr Ghorbanifar, President of Byiex Trading Company, 56 Avenue Maroeau, 75008 Paris, telephone 7208041, telex 620927, was a major

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NS.156

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t-out between one group of contacts in Iran and the General. In fact, Ghorbanifar brokered one meeting for us and General Hashemi in Hamburg on November with a most interesting traveler from Iran.

HORBANIFAR

After the meeting of 20 November with the man from Iran, Ghorbanifar was asked how we might authenticate the visitor's ability to help us in solving some oil contract disputes with Iran. The response was simple -- put the man to the test of performance. In short, give him a simple task to do and if he solved that one, move on to the next one. Ghorbanifar said this technique had worked for him. He then went on to say his own business kept him in close contact with the Iranian market where he played a role by brokering deals between Iranian buyers and European suppliers.

Ghorbanifar said his business was successful but he was also an Iranian nationalist. Due to the latter factor, he was vitally concerned with developments in Iran. He feared that Iran would become a Soviet satellite within the near term -- three to five years -- if he and people like General Hashemi did not do something to stem the tide. He rhetorically asked what can we do, for despite our ability to work with the "moderates" in Iran, we can't get a meaningful dialogue with Washington. According to Ghorbanifar, it is President Reagan who has the destiny of the Iranian people in his hand. When at this juncture Ghorbanifar was asked if he had tried to open a dialogue with the Americans, he said, "We know the CIA in Frankfurt. They want to treat us like kleenex -- use us for their purpose and then throw us out the window. We can't work with them as they are unreasonable and unprofessional. In fact, if you check on me with them, they will tell you I am unreasonable and undisciplined."

[redacted]

COMMENT: General Hashemi has privately verified that Ghorbanifar has several real estate holdings in Hamburg and Paris. The General said that from what he can see, Ghorbanifar is successful in business. In terms of contacts in Iran, Hashemi said he could only describe Ghorbanifar with the adjective "fantastic." At the same time, Hashemi said Ghorbanifar, while intelligent and a producer of results, had always been hard to control.

[redacted] has told us independently that Ghorbanifar had been an effective agent for SAVAK [redacted] but was known as a wheeler-dealer. He made the point that Ghorbanifar was not a trained intelligence officer but had been an access agent in various cases and had done commercial jobs for SAVAK as a cut-out.

Commercial traces on the Bylex Trading Company and its owner are pending.

HOSTAGES IN LEBANON

The conversation about the Iran-Iraq war throughout 20 November focused on three issues. They were the land war and the prospects for a Basra sector general offensive, the Gulf maritime war and Kharg Island as its centerpiece and Tehran's export of the revolution with emphasis on what threat the latter was to oil facilities in Iraq, Kuwait, the United Arab Emirates and Saudi Arabia. During the early portions of this conversation, Ghorbanifar said Tehran [redacted] Perhaps this could be delivered to the Americans to prove that Hashemi and Ghorbanifar had influential contacts in Iran. In response, it was pointed out that transactions of this type might not be simple, particularly as no one knew what Iran would want in exchange. Ghorbanifar said he would guess Tehran would want TOW missiles. He was urged, therefore, to find a simpler way to prove his bona fides if he in fact wanted to deal with the Americans. Nothing emerged at that juncture in response to that comment. As the day wore on, however, and Lebanon entered into the scope of the conversation, Mr. Ghorbanifar was asked what he knew about Iranian intentions in Lebanon, what role Tehran had played in bombing the American Embassy or kidnapping Americans. The response was he had little hard facts beyond having heard the captured Americans were alive. Ghorbanifar was told that all citizens who had compassion for their countrymen were interested in the fate of Americans who had been captured by terrorists, guerrillas or other unstable elements. If Ghorbanifar could shed light on the status of Americans in Lebanon it would be a humanitarian gesture which would be duly noted by those who count. Ghorbanifar said he assumed we were talking about a tractors for prisoner exchange. The answer was we had nothing specific in mind. On the other hand, we knew oil companies could be generous and if there was a humanitarian deal to be made in simple terms with adequate safeguards for life and funds, we would be willing to take soundings with our oil company clients and contacts to see if a deal could be structured.

There was about a three hour break between the end of the afternoon session on 20 November and a regrouping for after-dinner drinks. In this period, each member of the afternoon session went on his own to different dinner sessions. When the group reconvened, Ghorbanifar said he had thought about the afternoon session, had made some telephone calls, had talked to a friend and could now say the following:

a. Americans captured in Beirut were alive.

b. A deal could be made for their release using Iranian channels.

c. The transaction would be simple -- money for people.

d. The cover for the transaction would be Ghorbanifar had bought them out and resold them to a private group that raised the funds.

UNCLASSIFIED

e. The transaction had to be kept secret. This meant that whatever final explanation was worked out to advise the media of how the release had been effected, it could not identify Ghorbanifar, Iranians or anything but a private ransom deal.

f. If this deal interested us, we were to do the following:

(1) provide the full names of the captured Americans;
(2) indicate the date of their capture;
(3) provide the given name of each captive's father.

Ghorbanifar was told we had noted his points and would take appropriate soundings. When we indicated surprise at the speed of his decision-making process, he laughed and said he was an operator and now the ball was in our court. He wondered aloud if we could react as quickly as he had. We said we doubted that we could, for we were both cautious and deliberate.

[redacted]

COMMENT

In subsequent private discussions late on 20 November, General Hashemi told us he did not know who Ghorbanifar had contacted on this matter or how. He said he would attempt to find out and might have an answer in ten days time. This delay was due to the fact that Ghorbanifar and Hashemi would both be traveling as of 21 November and could not talk securely for a number of days. We know Hashemi flew from Hamburg to London on 21 November 1984.

No names of the Americans captured in Lebanon were discussed at any time by either party. In terms of numbers, we said we thought four Americans were unaccounted for in Lebanon. We had in mind the following:

a. Jeremy Levin of Cable News Network who was kidnapped on 7 March 1984;

b. William F. Buckley, an American Embassy officer, who was kidnapped on 16 March 1984;

c. Benjamin M. Weir, a Presbyterian Minister kidnapped on 8 May 1984.

It must be stressed, however, that we never surfaced their names, organization or date of capture.

SECURITY EVALUATION

General Hashemi is independently wealthy. He travels on the basis of his own funds plus discounted airline tickets that he receives from a son-in-law who

UNCLASSIFIED

N 7456

has a travel agency. Our relationship with him has been based on a mutuality of interest in Iranian affairs. We reciprocally host luncheons or dinners.

[redacted]

Ghorbanifar has no known intelligence connections with any Western intelligence service. He is a "wheeler dealer" and could play both ends against the middle for a profit in a business deal. On a political matter concerning Iran, it would appear, however, that he could be kept on track if he were tasked via Hashemi.

PROPRIETARY INTEREST

It is our intent to continue our dialogue with General Hashemi, for he has been helpful in the past in assisting us to understand events in Iran. Mr. Ghorbanifar is a new entity on our commercial horizon and we are evaluating his potential to contribute to our ventures. In sum, while we have spelled out with frankness how this situation unfolded, we have done so out of concern for a friend and other fellow Americans. (COMMENT: Mr. Buckley was known to us from his service in Vietnam.) With equal candor, we must state that while we expect the data we have furnished to be checked, if it interests anyone in government, we must insist the verification effort be carried out in a manner that will not prejudice our relationship with General Hashemi and Mr. Ghorbanifar. Put another way, we have invested time and money into developing and maintaining relationships that by our criteria are useful. As a result, we want to preserve them and request this sensitivity factor on our part be both noted and honored as this situation is evaluated. In this context, please note the attached article on risk assessment which outlines some of our commercial concepts.

ACTION REQUESTED

We must, in the course of the next two weeks, give Mr. Ghorbanifar some response to his feeler on a ransom deal. It is requested, therefore, that we be advised by no later than 7 December 1984 how we are to respond. It is, of course, understood that any reply has to take into account current policies on the topic of ransom. If it would be of assistance to those considering the nature of the reply, we would be available for a discussion of the data outlined in the preceding paragraphs.

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Chapter 9 FN# 58
[illegible]
N10579

UNCLASSIFIED

July 11, 1985

9-58

RCM:

JMP talked with Michael Ledeen this morning about an urgent message from Peres for McFarlane which Al Schwimmer, a Jewish-American who provides lots of money to Peres, wants to deliver to RCM.

In the meantime, Schwimmer has flown down here and had lunch today with Michael Ledeen and Ledeen has called back with the following:

> "It is indeed a message from Prime Minister of Israel; it is a follow-on to the private conversation he had last week when David Kimche was here. It is extremely urgent and extremely sensitive and it regards the matter he told David he was going to raise with the President. The situation has fundamentally changed for the better and that I must explain to him because it will affect his decision. It is very important. It won't keep more than a day or two but could keep until Saturday morning. This is the real thing and it is just wonderful news."

Should I try to schedule Ledeen to see you?

____ Yes, Friday afternoon

__✓__ Yes, on Saturday

____ No, I don't want to see Ledeen

Other: ________________________________

2217

Wilma

Rm. 654-0538

3:00 pm Sat [illegible]

Declassified/Released on 20 July 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

RCM-9
12/30/86
KMK

UNCLASSIFIED

Chapter 9 FN# 98

9-98

[redacted] WHITE HOUSE COMMUNICATIONS [redacted] UNCLASSIFIED PAGE 00010

N 17790

[redacted]

08/22/85 12:30:22

[illegible] --CPUA

-- SECRET --

[illegible]

SUBJECT: Ledeen Travel

[illegible] Ledeen travelling round trip to Europe next week [illegible] to prepare the necessary [illegible]

NSJMP --CPUA JOHN M. POINDEXTER

[illegible]

[illegible] Ledeen Travel

[redacted]

652

UNCLASSIFIED [redacted]

Partially Declassified/Released on 12 MAY 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

Name and Address	Date	Initials
obert McFarlane		

ON	FILE
OVAL	INFORMATION
ENT	PREPARE REPLY
RRENCE	RECOMMENDATION
REPLY	RETURN
CH	SIGNATURE

Oliver North (02)
Jim Radzimski (03)

Chapter 9 F

Chapte - 9 fn 99

9-99

UNCLASSIFIED

SECRET
N 6410

SECRET
EYES ONLY

NSC/ICS CONTROL NO. 400993

COPY NO. 1 OF

IV
0099.
148

SPOSITIC

• No further Acti

(Date/Time)

HANDLE VIA SYSTEM IV CHANNEL ONLY

NSC INTELLIGENCE DOCUMENT

2/9/88

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

UNCLASSIFIED

SECRET

BKD, FBI
12-12-86
NS/27

4957

UNCLASSIFIED

National Security Council
The White House

N 641

System # IV

Package # 46099
1948

	SEQUENCE TO	HAS SEEN	DISPOSIT
Bob Pearson			
William Martin	1		
John Poindexter			
Paul Thompson			
Wilma Hall			
Bud McFarlane			
William Martin			
NSC Secretariat FaJim	2		D
Situation Room			
D	3		

I = Information [✓ A = Action] R = Retain D = Dispatch N = No further Ac

cc: VP Regan Buchanan Other

COMMENTS

Should be seen by: ______
(Date/Time)

Do not LDX! Dispatch on Tuesday. DATE TUESDAY

UNCLASSIFIED

Chapter 9 FN # 99

MEMORANDUM

UNCLASSIFIED

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400993
N 6412

August 30, 1985

EYES ONLY

~~SECRET~~

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Passport

SIGNED

Per our discussion last night, Clair George recommended contacting [redacted] for an alias passport and documents for travels to Europe regarding counter-terrorism. The memorandum to State at Tab I confirms that these documents have been received by NSC.

RECOMMENDATION

That you authorize Bill Martin to sign the memo to Platt at Tab I.

Approve WM per RCM Disapprove ____

Attachment
Tab I - Martin Memo to Platt

Ken deGraffenreid concurs. kd

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under provisions of E.O. 12356
by D. Reger, National Security Council

~~SECRET~~
Declassify: OADR

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

SYSTEM IV
NSC/ICS-40099

N 6

~~SECRET~~

MEMORANDUM FOR MR. NICHOLAS PLATT
Executive Secretary
Department of State

SUBJECT: Passport (U)

Pursuant to conversations on August 29 and 30, between NSC and [redacted] the NSC has received a passport and associated documents for William P. Goode. These documents will be returned to the Department State when no longer required. (S)

William F. Martin

William F. Martin
Executive Secretary

MEMORANDUM OF CALL

Previous editions usable

TO: ON

☐ YOU WERE CALLED BY— ☐ YOU WERE VISITED BY—

OF (Organization) 6

☐ PLEASE PHONE ☐ FTS ☐ AUTOVON

S 12

☐ WILL CALL AGAIN ☐ IS WAITING TO SEE YOU

☐ RETURNED YOUR CALL ☐ WISHES AN APPOINTMENT

MESSAGE

RECEIVED BY	DATE	TIME
		0910

63-110 NSN 7540-00-634-4018 STANDARD FORM 63 (Rev. 8-81)
Prescribed by GSA
FPMR (41 CFR) 101—11.6
★ GPO : 1982 O - 361-529 (210)

9/88

~~SECRET~~
Declassify: OADR

UNCLASSIFIED

Chapter 9 FN # 112 & 119 & 120

86-01501

86-4068

UO

UNCLASSIFIED

[redacted]

7 October 1985

National Intelligence Council

9-112

MEMORANDUM FOR: [redacted]

VIA: [redacted]
Office of General Counsel
Central Intelligence Agency

EXHIBIT
CG 35

FROM: Charles E. Allen
National Intelligence Officer for Counterterrorism and Narcotics

I 0644

SUBJECT: Background on U.S. Initiative to Secure Release of American Hostages

Partially Declassified/Released on 20 Aug 87 under provisions of E.O. [illegible] by B. Reger, National Security Council

1. The following is provided for your background on an extremely sensitive White House initiative to secure the release of the American hostages held by the Iranian-backed Hizballah organization in Lebanon. This initiative has been underway for some months and is being controlled directly by the National Security Council (NSC). I have served the NSC as the focal point for coordinating Intelligence Community collection requirements to support the White House initiative.

2. On 12 September, I was requested by LTC Oliver North, Deputy Director of Political/Military Affairs of the NSC, to begin Intelligence Community [redacted] against certain Iranians who were involved with the White House and who were in contact with the Lebanese Hizballah. Over the next two days I was able to secure sufficient information to identify [redacted] two Iranians who were the key players in the White House initiative. One of the Iranians was [redacted] the other individual was named [redacted]ose first name is unknown. [redacted] on behalf of the Iranian government [redacted] the White House was able to gain critical insights into the attitudes of these Iranians toward the release of the American hostages and the relationship and influence that Iranian officials have over Hizballah personnel who are holding the hostages. The release of Rev. Benjamin Weir was effected by the White House working through intermediaries who were in direct contact with [redacted] who in turn was dealing directly with [redacted]. Following the release of Weir, [redacted] indicated, again through intermediaries, to the White House that other American hostages might be released [illegible]

[redacted]

~~TOP SECRET~~ [redacted]

Copy 1 of 2

UNCLASSIFIED

3751

3. On 28 September I was informed by the NSC (LTC North) to again coordinate [redacted] and analysis of the [redacted] connection because the White House had received information that another hostage, probably William Buckley, would be released sometime between 3 and 5 October. This increased collection effort was undertaken [redacted] The announcement by the Islamic Jihad on 3 October that it planned to execute William Buckley created a new dimension in the continuing contacts between [redacted] and [redacted]. The White House through intermediaries indicated to [redacted] that it was important that he come to the US in order to determine whether potential still exists to secure the release of Buckley, assuming that he had not been killed, or of the remaining hostages held by Hizballah. The White House informed me on 5 October that [redacted] would arrive on 7 October on [redacted] Airport and that [redacted] would be staying in the [redacted] Hotel in Washington. Also joining [redacted] for these meetings was one [redacted], an Israeli, who has served as one of the intermediaries for the White House in dealing with [redacted] [redacted], allegedly a former [redacted] reportedly has a financial relationship with [redacted] and has been involved in joint ventures with [redacted] in obtaining munitions for the Government of Iran. [redacted] also will be staying at the [redacted] Hotel. [redacted] The NSC stated that this was perhaps our last opportunity to utilize this channel to determine whether William Buckley is still alive (we now have strong evidence that he is dead) and whether there are any opportunities remaining to secure the freedom of the other hostages.

[redacted]

4. From my perspective and based on the analysis of the intelligence collected thus far [redacted] beyond any question is an agent of the Iranian government [redacted] is an influential member of the Iranian government [redacted] My knowledge of [redacted] only comes from a White House official who assures me that [redacted] has been an important intermediary in this

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initiative and that he too has financial arrangements with [redacted] The meetings that will occur this week here in Washington with [redacted] are considered pivotal by the White House as to whether this initiative should be pursued further. The hostages believed to be held by Hizballah are as follows: Father Lawrence Jenco, a Roman Catholic priest; David Jacobsen, director of Beirut's American University Hospital; Thomas Sutherland, Dean of Agriculture at the American University; and Terry Anderson, chief AP correspondent in the Middle East.

Charles E. Allen
Charles E. Allen

I 0646

DECL OADR
CL BY [redacted]

~~TOP SECRET~~ [redacted]

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: Chapter 9
FN - 115

5May1987

(208)

9-115

N 16502

PAGE 00015

FILE: NOTE [redacted] [illegible]

[redacted]

09/19/85 10:30:09

[redacted]

[redacted]

*** FROM: NSOGH --CPUA TO: NSPCB --CPIN
TO: NSMCB --CPUA ROBERT C. MCFARLANE

-- SECRET --

NOTE FROM: [illegible]
SUBJECT: Michael Ledeen

It is urgent that the government deny the alleged Syrian role in Rome's [illegible]. Don't know how best to do this -- perhaps Noon Briefing.
perhaps Noon Briefing.
[illegible] story in Post (front page) this morning says that Assad was involved.
Not true and it is very bad.

The other subject -- issue of replacement: the people who sold the many [illegible]
are eager to replenish their supply.

Going to [illegible] today -- returning tomorrow at 8:00 am.
Michael Ledeen

[redacted]

Chapter 9 : N* 112 : 119 : [86-01501] 120

86-4068

UC

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[redacted]

7 October 1985

National Intelligence Council

9-119+120

MEMORANDUM FOR: [redacted]

EXHIBIT

Ct. 35

I 0644

VIA: [redacted]

Office of General Counsel
Central Intelligence Agency

FROM: Charles E. Allen
National Intelligence Officer for Counterterrorism and Narcotics

SUBJECT: Background on U.S. Initiative to Secure Release of American Hostages

Partially Declassified/Released on 20 Aug 87 under provisions of E.O. 12356 by [illegible], National Security Council

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[redacted]

~~TOP SECRET~~ [redacted]

Copy 1 of 2

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3. On 28 September I was informed by the NSC (LTC North) to again coordinate [redacted] and analysis of the [redacted] connection because the White House had received information that another hostage, probably William Buckley, would be released sometime between 3 and 5 October. This increased collection effort was undertaken [redacted] The announcement by the Islamic Jihad on 3 October that it planned to execute William Buckley created a new dimension in the continuing contacts between [redacted] and [redacted] The White House through intermediaries indicated to [redacted] that it was important that he come to the US in order to determine whether potential still exists to secure the release of Buckley, assuming that he had not been killed, or of the remaining hostages held by Hizballah. The White House informed me on 5 October that [redacted] would arrive on 7 October on [redacted] Airport and that [redacted] would be staying in the [redacted] Hotel in Washington. Also joining [redacted] for these meetings was one [redacted], an Israeli, who has served as one of the intermediaries for the White House in dealing with [redacted] [redacted], allegedly a former [redacted] reportedly has a financial relationship with [redacted] and has been involved in joint ventures with [redacted] in obtaining munitions for the Government of Iran. [redacted] also will be staying at the [redacted] Hotel. [redacted] The NSC stated that this was perhaps our last opportunity to utilize this channel to determine whether William Buckley is still alive (we now have strong evidence that he is dead) and whether there are any opportunities remaining to secure the freedom of the other hostages. [redacted]

4. From my perspective and based on the analysis of the intelligence collected thus far [redacted] beyond any question is an agent of the Iranian government [redacted] is an influential member of the Iranian government [redacted] My knowledge of [redacted] only comes from a White House official who assures me that [redacted] has been an important intermediary in this

~~TOP SECRET~~ [redacted]

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Charles E. Allen

Charles E. Allen

I 0646

DECL OADR
CL BY [redacted]

CHAPTER 10. ARMS TO IRAN: A SHIPMENT OF HAWKS ENDS IN FAILURE

UNCLASSIFIED

ROBERT C. MCFARLANE RECORD OF SCHEDULE

10-4

Friday, November 8, 1985

7:25 Arrived Office

7:30 ODSM

8:00 DOM (8:28)

10/4

8:30 Dave Peterson - PDB (8:45)

8:55 Adm John Poindexter (9:00)

9:07 Treasury Secy James Baker called

9:33 P/Mtg with GOP Congressional Leadership - list attached

10:30 Photo op w/President, Adm Poindexter, Amb Jack Matlock & Don Regan for NEWSWEEK

10:35 P/NSB w/JMP

10:40 Amb Winston Lord & Mrs. Bette Lord (photo op w/President (11:05)

M F 000[illegible]5

11:07 Amb Winston Lord (11:17)

11:10 Jim Kuhn called on PL (11:16)

11:17 WH North Portico Marine Guards to extend Marine Corps Birthday wishes to RCM (photo op) (11:18)

11:18 Sen Sam Nunn (D-GA) (12:00)

12:08 Jim Kuhn called on PL

12:15 P/Luncheon w/Religious Leaders in Cabinet Room - list attached (1:26)

1:27 Navy Commission Ceremony for Denny Brisley - list attached (1:32)

1:40 P/Mtg w/Secy Shultz & Adm Poindexter IMMEDIATELY FOLLOWED BY:
Photo op w/President, RCM, Secy Shultz & Don Regan in Cabinet Room (2:05)

2:05 Karna Small (2:12)

2:30 Ollie North (2:35)

2:35 David Kimche of the Israeli Government (3:25) (not shown on schedule)

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4:10 SACG in Sit Room - list attached (5:56)

6:30 Sen Robert Dole (R-Kan) called

7:00 Howard Teicher (7:11)

8:04 To Adm Poindexter's Office (8:06)

8:15 Adm Poindexter - joined by Ollie North (8:25) (8:35)

9:15 Departed for the evening

UNCLASSIFIED

December 1985

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25			

UNCLASSIFIED

10-7

Week Ending November 17

N 329

THURSDAY, NOVEMBER 14 318

7:30 CDSM WHSR
8 Mike Ledeen
9 Terrence Douglas
9:15 [redacted]
12 [redacted]
12:15 [illegible] Oakley - [illegible]
12:30 [illegible] Rice
1:15 Haley - McDonalds
2 [illegible]
2:45 Arturo Cruz Jr.
3:15 [illegible]
3:30 R.G. Rm 263
5 Rm 301 [illegible]
5:15 [illegible] Dornan
5:30 [illegible] Hart [redacted]
5:45 re hostages

FRIDAY, NOVEMBER 15 319

7:30 CDSM WHSR
8:30 Breakfast Hay Adams
8:45 Bill Walker - C. Arcos
9:30 Armstrong
9:45 Rep Policy Cmte
10 James Jatras
10:15 David Jensen
10:30 [redacted] CA Brief
10:45 [illegible] Ostin
11 [redacted]
12:30 [illegible] - GR
1:30 [illegible]
2 [illegible]
2:30 Rm 236 [illegible] Bill
2:45 Ford [illegible]
4 Bruce Cameron

SATURDAY, NOVEMBER 16 320

2:30 [redacted]

SUNDAY, NOVEMBER 17 321

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4728

Chapter 10, Footnote 11

EYES ONLY

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C 4509 [redacted]

15 November 1985

10-11

MEMORANDUM FOR THE RECORD

SUBJECT: DCI/DDCI Meeting with Assistant to the President for National Security Affairs, 14 November 1985

1. Admiral Poindexter was also in attendance.

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under provisions of E.O. 12356
by B. Reger, National Security Council

1585

32809

UNCLASSIFIED

EYES ONLY

C11N 1810

CL BY 0057129

UNCLASSIFIED

[redacted]

C 4510

7. McFarlane then briefed on Ollie North's visit to London [redacted] **McFarlane then told us about the Israeli plan to move arms to certain elements of the Iranian military [redacted]

John N. McMahon

Distribution:
Orig - ER (Complete Copy held in O/DDCI per DDCI's instructions.)
1 - DDI
1 - DDO
1 - EA/DCI
1 - EA/DDCI
1 - SA/DDCI
1 - ExSec
1 - D/ExSec

Extracts provided EYES ONLY to:

D/ICS - Para 9
Ch/SECOM - Para 4

**NOT TO BE DISSEMINATED OUTSIDE THIS OFFICE PER DDCI'S INSTRUCTIONS.

EYES ONLY UNCLASSIFIED

32810

C11N1810

Chapter 10, Footnotes 25-27

9706

10-25-27

C

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MEMO 211185

1. [redacted]

2. [redacted]

3. They [redacted] are often involved in transport of difficult cargo.
They contracted 10 flights [redacted] to Teheran [redacted]
The flights are supposed to leave immediately if at all possible consecutive. The cargo is declared to be medecine but is in reality ammunition etc.
[redacted]

4. TEHERAN SITUATION

A flight was made from [redacted] to Teheran with Boeing 707 on the 14 Nov 85 [redacted] was there escorted by Iranian fighters until it reached Teheran. The aircraft
There is one more flt coming in December from [redacted] which we are negotiating presently.
3 more flts are planned beginning 86 to go from [redacted]
We will be informed about those.
[redacted]

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by ... National Security Council

4212

CHN 4259

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REVIEWED FOR RELEASE
DATE 18 JUN 1987
HSC & SSC

Chapter 10, Footnotes 26, 28, 73, 147
154, 156, 161, 163

C6522-C6529

30 Nov 85

MEMORANDUM 301185

UNCLASSIFIED

Re.: Mission TLV/THR

10-26+28

I. CHRONOLOGICAL REPORT

PHASE I - Contact and Contract

Friday afternoon 22 Nov first info to me [redacted]
that I would be contacted concerning an urgent flight and
that it was in our interest to perform those upcoming flts.
At about 20 00 Local time I was contacted by a certain Mr.Richard
Copp [redacted]
He asked me whether I had already been informed about a mission,
which I denied. He then explained to me that there had to
be 3 flights done as quickly as possible " Government to Government"
from Tel Aviv [redacted] After a short discussion we agreed that
we could do it with [illegible] aircraft consecutively for a flat fee
of 60 000.00 USD plus fuel, landg,handlg had to be paid by him.
Further it was agreed [illegible] second Boeing would be made available
on request should the matter get urgent.
During my subsequent phone conversation to our [redacted] I referred
to my MEMO 211185 para [illegible] and questioned the way it was displayed
to me and supposed that this cargo was the same as in my memo
indicated. This was [illegible].

PHASE II - Positioning

Our Boeing [redacted] had just arrived [redacted]
[redacted] aircraft was taken over by [redacted] and
departed [redacted] Capt [redacted]
had the order that upon the receipt of the code "Celia" he would
find an excuse for the customer and depart [illegible] Aviv, filing
officially for [redacted] Traffic rights for [illegible] [redacted]
[redacted] were tentatively applied for by [redacted] should
this become necessary.

Our second Boeing was parked in [redacted] and [illegible] not depart before
the airport opened the next morning. [redacted]
At the time I had made the agreement with [illegible] about 0100 GMT
The crew [redacted] which was supposed to [illegible] [redacted]
[redacted] the next day [redacted] was therefore alerted concerning
the early departure of this aircraft to Tel Aviv. After the
airport had opened the fuel company was available for fuelling
this aircraft [redacted] At about this time I was
informed by Copp that pallets had to be taken along. [redacted]
[redacted] Our own pallets were stored in the

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1392

3 3c 2/43

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hangar, [redacted] Due to the shortage of time we decided to
let the aircraft fly [redacted] to pick up the pallets instead
of transporting them [redacted] via ground transport [redacted]
[redacted] the pallets had been put on a forklift in the
meantime and our mechanic was waiting for the aircraft to
arrive. After the aircraft had arrived the pallets were loaded and
the aircraft continued to fly to Tel Aviv after having refuelled
a little because of the extra flying tim[redacted]
[redacted] together with [redacted] and an copilo
In the meantime Capt. [redacted] had arrived from Paris via train and
additional loadmaster [redacted]
were also on board when the aircraft departed finally at about
[redacted] (23 Nov)
[redacted] It arrived [redacted]

Due to this departur[redacted]y, Copp had requested from me to also
put the second airc[redacted] into this operation due to the utmost
urgency of the miss[redacted] IT WAS [redacted] and after
Therefore the code wo[redacted] transmitted [redacted]
fuelled and departed to TL[redacted]
unloading[redacted] The overflight rights had been
[redacted] landed a[redacted]
granted in the mean[redacted]
on the 23 Nov in TL[redacted]

PHASE III - Loading

[redacted] had said to me that the
Although Richard Copp [redacted]
loading was planned to take 5 hours but would be speeded up to
2 hours. [redacted] which had first arrived, had [illegible] loaded one
piece out of 19 pieces in 4 hours. Therefor[illegible] time all
the 707
concerned parties were concerned that the [illegible] uld take as
long as possibly 24 hours. Therefore and [redacted] obviously
traffic rights had not been grante[redacted] I was told
that now the load had to be transported [illegible] R. This
confirmed my initial suspicions and it [illegible] viou[illegible] me that
several things had to be changed.(Copp [illegible] hours
before that the traffic right[redacted] [illegible] issued and the
[redacted] was info[illegible] my
crew told me that in TLV everyone kne[illegible] they ha[illegible]ready been
turned down and that the real dest was [illegible]R)

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I was given the contact of Mr.A.Schwimmer in TLV by Mr.Copp and the 707
talked to Schwimmer several times on the phone.
I told him that we could not fly to THR with an American registered
[illegible] and that we therefore had to unload [redacted] again [redacted]
[redacted] He tried several times to convince me and even
offered to paint a different registration on the aircraft and
do some kind of formation flying into THR. Keeping in mind that
all phone conversations to Israel might be listened to, I told
him that we were a normal Airline [illegible] inted to stay in business
[illegible] time to come and that the only way to do it was the correct
the 707
for us to do it. Therefore [redacted] was unloaded again.
In addition to that I explained to him that we needed traffic rights
to overfly [redacted] which we had applied for tentatively the moment
the real dest. had come out, but only for [redacted]
And also we estimated that it would take time to get those rights.
In addition I had conferred with [redacted] and was told that
those traffic rights would be supported diplomatically and that
we could count on them.
the captain
I was in touch with [illegible] all the time and verified all
[illegible] them. In fact [redacted] was in Schwimmers
home and we negotiated there that we needed 30 000 USD in
order to go to the [illegible] destination because we had not planned
on it and therefore had not enough cash with us. Also we did
not trust them that everything was paid in THR. Schwimmer came
up with 8000 USD after lenghty discussions because it was Sunday
in the meantime and could not get more money.

PHASE IV - Flights [illegible] performed

the 707

According to the new agreement between Schwimmer and me [redacted]
had been unloaded again and departed [redacted]
[redacted] on Sunday the 24 Nov.
the 707 captain
[redacted] did this flight and took all extra crew back except
for the second loadmaster because it had become obvious to us
that the TLV/THR route could be flown by one crew due to the
lenghty loading and [illegible] ected unloadg proc[illegible] rights for
In the meantime Schwimmer confirmed that [illegible] we could go
overflight [redacted] had been confirmed
with [redacted] as soon as it was loaded.
However, the last moment they decided [illegible] our agreement
that the aircraft should land [redacted] [illegible] ping on to THR.
This required additional funds by us [illegible] air[illegible] had to be
defuelled in TLV because it would ha[illegible] for landing
[redacted] and had to refuel this miss[illegible] [redacted] the 707
[illegible] money but [illegible] after long discussions
[illegible] supplied another 2000 USD which [illegible] [illegible] ships funds.
Schwimmer [illegible] together with the cash he had in his ships funds.
about [illegible]

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the captain

Finally we gave the green light for [redacted] to take off and
he left TLV with [redacted] on the 24 Nov.
Since arrival it had taken him exactly 24 hours for loading
and clearing all the problems.

the captain

A[illegible]arrival [redacted] [redacted] had new problems as the customer
an[illegible]ecially the military in TLV had not only not given him any
documents for the load but also had taken out every evidence which
might have proved that the aircraft was in TLV.
Custom[redacted] therefore did not want to release the aircraft
un[illegible]documents were produced and therefore the load also The captain
h[illegible]be inspected. Finally [redacted] wrote a cargo manifest
[illegible], which was accepted although it had no stamp of the
[illegible]ture point and finally he could talk his way out of this
[illegible]ituation. Finally he therefore left at [redacted] direction
[redacted] as planned.
However, nothing was prepared for overflight [redacted] and he had
again to talk his way through. Since they repeatedly insisted
on a diplomatic clearance number, he made one up which was
not accepted after long negotiations and then he filibustered
one hour and 30 min his way [redacted], using different
altitudes, positions and estimates that he tol[redacted]
[redacted] with whom [redacted] obviously in radio contact [redacted]
However, radar rea[redacted]his off- positions which gave additional reas
for arguments and [redacted]lays.
At the THR border h[redacted] received without any problems but he did
not have to say the [redacted]d code "I am coming for Mustafa"
because Radar treat[redacted] very normally.
Finally he landed i[redacted] on the 25 Nov(monday)

PHASE V - Unloading[redacted]

After landing in THR the aircraft had to remain on the runway
for about 10 min until a "follow me" came and directed them to
the parking area which was on the military side.
The landing had been done on runway 29 r and the aircraft was
directed to the south of this runway onto the the north/west
part of the southern military apron. [redacted]
[redacted] It is a special area which is su[illegible]d by a high fence
to the outside so that people outside the [illegible] cannot see the
aircraft.

the captain

[redacted] was first contacted by an office[illegible] who directed
the unloading later and who told him th[illegible] know about
this flight and were surprised that it [illegible] on his
30 min after arrival a civilian with a[illegible] first:
back arrived at the aircraft and aske[illegible]rgo.
"What are the nationalities of the cr[illegible]
where do you come from ?"
Then he talked to [redacted] telling him that he should not

the captain

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tell anyone including the military where the aircraft really came from. He then mentioned that they were expecting 4 more flights from TLV. He would like to see the same crew then due to security. When [redacted] the captain was asking for money or arrangements of fuel, parking etc. he told him [illegible] to worry and th[illegible] everything would be taken care of.

2 Supervisor then started to direct the unloading, one military and one civilian with submachine gun.

The crew was sent to the officers [illegible] where they were [illegible] again by the civilian to keep their mouth shut about this and not talk to anyone about their mission.

Capt [redacted] then told him that our crew did not want to pass through passport and customs control [redacted] as they expected [illegible] to leave again.

Therefore the civilian took them in a car through back roads off the airport and was not checked or stopped at the gate although even military had to present their id - cards at that gate.

The trip to the Hotel took one hour and finally they arrived at the former Shera[illegible] Hotel.(Different name now, could not remember)

All rooms were occu[illegible] and therefore they had to take a suite together. After be[illegible] the hotel for about 2 hours to the surprise of the cre[illegible] got a phone call that the aircraft was unloaded and that [illegible] could be picked up in a few minutes. This was 6 hours a[illegible] the aircraft had landed. [redacted] had the capt remained at the ai[illegible] for some time to see that the unloading really took place [illegible] it was done [illegible]ly. Then the time in the office[illegible]s and the trip to the Hotel had taken some time.)

However, after this alert it took 2 hours until the car finally arrived. In the meantime the civilian had apologized several times and the crew was offered coffee and cakes.

After arrival at the airport through the "backdoor" [redacted] the capt required a permit number for overflight [redacted] in order to avoid the problem he had coming in. He refused to leave without. Therefore he and the civilian went to the Tower from where they tried to [redacted] obtain this number. After about 2 hours of trying [redacted] told them that the [illegible] was ok the but they could not get a number. Also [illegible] told that the Air Defense of Iran was informed and that [illegible] leave now which he finally accepted.

When the crew was taken over to the airc[illegible] realized that the aircraft had been towed to the civil[illegible] the meantime and that it was being fuelled by civil[illegible]

When [redacted] the captain asked for full tanks (or[illegible] because after all those problems which I was [illegible] the had called [redacted] via Telefone from the [illegible] possibil[illegible] to take the aircraft directly back [redacted] if necessary) the civilian who had received him was very disappointed because he realized that so much fuel was not needed to go back to TLV. However [redacted] told him that he needed the extra for security.

the captain

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PHASE VI - Return flight

The aircraft took of at [redacted] on the 25 Nov, after 14:35 hours on the ground in THR.
The aircraft was directed by radar off the airways a little more to the north than normally, close to the Russian border.
A [redacted] was given a special exit time which he had to meet [illegible] to comply with the Iranian Air Defense.
Approaching Tabriz the aircraft was ordered down from FL 350 to FL 280, shortly before reaching [redacted] border again up to FL 350.(reason unknown).
No transponder was used in the Iranian airspace. Captain
After arrival [redacted] [redacted] was told by radar that this time he was accepted but ~~that~~ in future for further flights, the ok of the civilair was not enough but that he had to get also the ok of the Ministry of foreign affairs and that otherwise the aircraft would be turned back.
the Captain
Based on all this information, I ordered [redacted] via radio to proceed directly [redacted] which we had planned initially.
The aircraft arrived [redacted] 26 Nov.

[redacted]

GENERAL CONCLUSIONS

The mission was poorly planned and directed by our contract partners in a amateurish way.

1. [redacted] ket for about a week with [redacted] to THR.

2. Copp was sitting in [redacted] although [redacted] was [illegible] not flown to and he as our contract partner could not [illegible] what was going on in TLV.

3. In TLV the aircraft was on the milita[illegible] loaded by high ranking military personnel who we[illegible]omed to this type of work.(The lowest ranking [illegible]er [illegible] Lieutenant) In addition they did not work much a[illegible] many coffe brakes.

4. A certain Mr.A.Schwimmer which was introduced to me by Copp as the representative in TLV of Copp, was very pushy with the military, sometimes to a point where he was insulting, but he did not understand the special aviation problems and did not have things under control. I.E. He sriously proposed to the Captain [redacted] to change the registration of the

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the captain

[redacted] aircraft and to forge the respective papers " in 2 hours". This was turned down by [redacted] and also by myself when Schwimmer mentioned it on the phone due to the before mentioned reasons.
Also the cash money which Copp had promised was not available and Schwimmer apparently did not know about this requirement.

5. The routing changes, destination changes, involved traffic rights were done too late and the crew grew more and more insecure as they are not used to this type of makeshift Airline direction and control.

6. The mission was still performed successfully because of the initiative the crew had displayed and because they are used also under adverse circumstances to complete the mission before problems will be discussed. However, this is not the way it can be done repeatedly because the good will will be worn out.

PROPOSAL

As Aviation is a ve[illegible]plex business which requires a lot of experience from all [illegible]rned and also because the feed back information is so v[illegible] for the operation, the directly involved employees have to b[illegible] of the decision making and planning as early as during the contracting stage.
Had it not been a special flight, I would have delayed for about 2 days after I had learned about the change of Destination in order to have enough time for correct planning and the aquisition of the necessary traffic rights.
The little radar controlle does not know political decisions and will not even be informed by his superiors. We experienced that time and again. Therefore all those things have to be presented in a normal way so that the controller simply has a dip[illegible] clearance number like he has for every other aircraf[illegible] this flight will look totally normal for him.
In other words: Those flights can be perf[illegible]ut any problem by only with the proper planning.
In order to have proper planning, the m[illegible] of [illegible]irline, who happens to be myself, should be heard b[illegible] con[illegible]ing or making commitments to third parties an[illegible] of the planning process.

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I therefore suggest that during the preparation process I should [illegible]vited to the meeting of the departments which are involved in [illegible] decision making.

[redacted]

I [illegible]e that there is the aspect of security and that the [illegible]s have to be done in a clandestine way. However, it cannot [illegible] worse than it was during this last mission and it could have been performed totally clandestine, had the above proposed meeting taken place in advance.
In aaddition to that, my presence during those meetings could provide the concerned officers who represent the different departments with useful feedback information so that for future planning some things can be ruled out right away without even going into detail whereas others can be accepted right away without checking details.

In addition to that [illegible] single missions or tasks to be performed should be part of a strategy which I am sure exists, but which I am not aware of in detail. Knowing the all-over strategy it would be easier to [illegible] certain missions and it would even be easier to plan the [illegible] budget which defines whether new airplanes have to be purchased/leased or others have to be sold.

In short: I would appreciate if I could be given more responsibility by being more part [illegible] team as far as the planning of the avaition aspects are concerned. I think it is a waste of experience and information when [illegible]s not made part of the planning process. I also like to make sure that I am not on a "ego trip", but that I have the success of our company in mind which last not least is also the success of this country.

[redacted]

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MEMORANDUM FOR THE RECORD

SUBJECT: Manuchehr Ghorbanifar Polygraph Examination

6090

On the afternoon/evening of 11 January 1986, Ghorbanifar underwent a polygraph examination. He showed deception on virtually all of the relevant questions. He has lied/fabricated his information on terrorist activities and has tried to mislead us concerning his relationship with [redacted] and leader of the [redacted] line' inside Iran. He also has distorted the leadership role of [redacted] Ghorbanifar also showed deception to the question whether he is under the control of any official Iranian organization.

Moreover, Ghorbanifar was tested on his involvement in the deal to release the hostages. The test indicated that he knew ahead of time that the hostages would not be released and deliberately tried to deceive us both independently and with [redacted]

Ghorbanifar provided new information concerning an alleged terrorist plan to attack U. S. interests [redacted] He was also tested on this information and was shown to be lying.

It seemed clear from Ghorbanifar's behavior that he realized that the polygraph test indicated deception. While he commented during the test that he was comfortable with all of the test questions, he said that perhaps the machine might indicate some problems on a series of questions concerning [redacted] and the rightists inside Iran. He said he had been told by "White House representatives" not to discuss this topic with CIA because the operation was "too far advanced" and if CIA were involved "it would require Congressional briefings." He went on to add that he has supposedly expended $800,000 of his own funds for this purpose and has been assured by these "White House representatives" that he will be reimbursed for these expenditures. (Comment: The polygraph operator stated that Ghorbanifar's explanation/rationalization would not influence the test results on the questions being asked in connection with [redacted] and his supporters).

4211

In discussing the hostage deal, Ghorbanifar stated he was very comfortable with the questions asked. During one of the breaks in the testing, he commented that the Israelis received the $24 million as soon as the shipment was delivered and they

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are holding all of the funds that the Iranians are requesting be returned. He added that the Israelis told him that they had "doubled" the cost of the shipment apparently because the Americans were involved. He said the Iranians were very upset about the last shipment and might resort to terrorist activities against U. S. interests. He remarked the Iranians have been refraining from these terrorist activities since the negotiations began.

6091

Ghorbanifar is clearly a fabricator and wheeler-dealer who has undertaken activities prejudicial to U. S. interests.

Neither Ghorbanifar nor Ledeen have been advised about the results of the test. Michael Ledeen asked that he be informed about the results of the test as soon as possible. He was called on the morning of 12 January and told that the polygraph operator will be reviewing the results on Sunday and we should have feedback about the test on 13 January.

[redacted]

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PROVINCIA DE PANAMA

NOTARIA CUARTA DEL CIRCUITO

Lic. EFEBO DIAZ HERRERA

NOTARIO

Calle 32 No. 5-32

ROLLO 15732 -

IMAGEN 0062.

Teléfonos: 25-4837
25-4828

Apartado 8706
Zona 5, R. de P

COPIA DE LA ESCRITURA No. 7,266 - 14 de Mayo de 1985.

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under pr[illegible] [illegible] curity C[illegible]
by B. [illegible]

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Microfilmado

4203 ALBERT HAKIM
LEDGER

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A/C	NAME & DESCRIPTION	DOC NO CONTRA	DEBIT	CREDIT	BALANCE
5600001	LAKE RES - CREDIT SUISSE	(SUITE)			
12 11	CHQ R. QUINTERO	600401		902 05	
12 11	BANK CHARGES	640401		1 27	
12 11	CASH WITHDRAWAL	600301		7 000 00	
12 11	AGIO	640401		35.00	
12 11	PMT INV CSF	640101		1 400 23	175 156 56
14 11	TR TO CIE DE SERV FID AH	600201		43 030 00	
14 11	BANK CHARGES	640401		7 01	
14 11	TR TO SCITECH	601301		67 340 00	
14 11	BANK CHARGES	640401		7 01	64 772 57
15 11	TR TO CIE DE SERV FID AH	600201		20 000 00	
15 11	BANK CHARGES	640401		7 01	
15 11	TR TO D. PONCE	602501		5 000 00	
15 11	BANK CHARGES	640401		1 87	
15 11	TR TO [redacted]	600901		15 000 00	
15 11	BANK CHARGES	640401		1 87	
15 11	CASH WITHDRAWAL	600201		25 000 00	
15 11	TR TO [redacted]	600901		15 000 00	
15 11	TR TO DENIS PONCE	602501		5 000 00	
15 11	BANK CHARGES	640401		30.37	20 268.60
18 11	TRANSFER TO CSF INV LTD	999901		80 000.00	
18 11	OFF CALL	5600101	540 000 00		
18 11	INTEREST	770001	1 134 18		
18 11	BANK CHARGES	640401		7.01	
18 11	BANK CHARGES	640401		7 01	
18 11	TR FROM IC INC	700501	47 973 65		
18 11	TR TO AMALGAMATED COM ENT	604101		450 630 00	18 195 41
20 11	TRANSFER	700001	1 000 000 00		1 038 195 41
21 11	PMT INV CIE DE SERV FID	640601		7 500 00	1 030 695 41
22 11	TRANSFER TO CSF INV LTD	999901		870 000.00	
22 11	BANK CHARGES	640401		7.01	
22 11	TRANSFER SBS	600601		100 000 00	
22 11	BANK CHARGES	640401		1 152.01	
22 11	CASH WITHDRAWAL	600201		21 470 00	38 066 39
25 11	CHQ R. QUINTERO	600401		4 000 00	
25 11	CHQ K. PHILLIPS	602201		2 000.00	
25 11	FUNDS RECEIVED LESS BK CHARGES	602501	4 970.00		37 036 39

12 Jan 1987.

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Ch 10 #68

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30 Nov 8

MEMORANDUM 301185 UNCLASSIFIED

Re.: Mission TLV/THR

10-73

1. CHRONOLOGICAL REPORT

PHASE I - Contact and Contract

Friday afternoon 22 Nov first info to me [redacted]
that I would be contacted concerning an urgent flight and that it was in our interest to perform those upcoming flts.
At about 20 00 Local time I was contacted by a certain Mr.Richard Copp [redacted]
He asked me whether I had already been informed about a mission, which I denied. He then explained to me that there had to be 3 flights done as quickly as possible " Government to Government" from Tel Aviv [redacted] After a short discussion we agreed that we could do it with [redacted] aircraft consecutively for a flat fee of 60 000.00 USD plu[redacted]el, landg,handlg had to be paid by him.
Further it was agre[redacted] second Boeing would be made available on request should t[redacted]tter get urgent.
During my subsequen[redacted]e conversation to our [redacted] I referred to my MEMO 211185 pa[redacted] and questioned the way it was displayed to me and supposed [redacted] this cargo was the same as in my memo indicated. This was [redacted]d.

Partially Declassified/Released on 4 July 1989
under provisions of E.O. 12356
by B. Reger, National Security Council

PHASE II - Positioning

Our Boeing [redacted] had just arrived [redacted] the aircraft was taken over by [redacted] and [redacted] departed [redacted] Capt [redacted] had the order that upon the receipt of the code "Celia" he would find an excuse for the customer and depart [illegible] Aviv, filing officially for [redacted] Traffic rights for [illegible] [redacted] were tentatively applied for by [redacted] should this become necessary.

1392

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Our second Boeing was parked in [redacted] and [illegible] not depart before the airport opened the next morning [redacted]
At the time I had made the agreement wi[illegible] about 0100 GM
The crew [redacted] which was supposed to [redacted] the next day [redacted] was therefore alerted concerning the early departure of this aircraft [illegible] Aviv. After the airport had opened the fuel company was available for fuelling this aircraft [redacted] At about this time I was informed by Copp that pallets had to be taken along. [redacted] Our own pallets were stored in the

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hangar, [redacted] Due to the shortage of time we decided to let the aircraft fly [redacted] to pick up the pallets instead of transporting them [redacted] via gro[redacted] transport [redacted] the pallets had been put on a forklift in the meantime and our mechanic was waiting for the aircraft to arrive. After the aircraft had arrived the pallets were loaded and the aircraft continued to fly to Tel Aviv after having refuelled a little because of the extra flying tim[redacted].

[redacted]

In the meantime Capt. [redacted] together with [redacted] and an copil additional loadmaster [redacted] had arrived from Paris via train and were also on board w[redacted]he aircraft departed finally at about [redacted] It arrived [redacted]V [redacted] (23 Nov)

Due to this departur[redacted]y, Copp had requested from me to also put the second airc[redacted]nto this operation due to the utmost urgency of the miss[redacted] IT WAS Therefore the code wo[redacted]s transmitted [redacted] and after unloading [redacted] fuelled and departed to TL [redacted] The overflight rights had been granted in the meant[redacted] landed a[redacted] on the 23 Nov in TLV[redacted]

PHASE III - Loading

Although Richard Copp, [redacted] had said to me that the loading was planned to take 5 hours but would be speeded up to 2 hours. [redacted] which had first arrived, had [redacted]loaded one piece out of 19 pieces in 4 hours. Therefor[redacted] time all concerned parties were concerned that the [redacted]uld take as long as possibly 24 hours. Therefore and [redacted] obviously traffic rights had not been grante[redacted] I was told that now the load had to be transported [redacted]R. This confirmed my initial suspicions and it [redacted]e that several things had to be changed.(Copp [redacted] hours before that the traffic right[redacted]ssued and t[redacted] was inf[redacted]e my crew told me that in TLV everyone kne[redacted] they ha[redacted]eady been turned down and that the real dest wa[redacted])

the 707

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I was given the contact of Mr.A.Schwimmer in TLV by Mr.Copp and the 70 talked to Schwimmer several times on the phone.

I told him that we could not fly to THR with an American registered [redacted] and that we therefore had to unload [redacted] again [redacted] [redacted] He tried several times to convince me and even offered to paint a different registration on the air[redacted] and do some kind of formation flying into THR. Keeping in mind that all phone conversations to Israel might be listened to, I told him [redacted] we were a normal Airline [redacted] intend to stay in business [redacted] the time to come and that the only way to do it was the correct [redacted] for us to do it. Therefore [redacted] was unloaded again. the 707

[redacted] addition to that I explained to him that we needed traffic rights to overfly [redacted] which we had applied for tentatively the moment the real dest. had come out, but only for [redacted]

And also we estimated that it would take time to get those rights. In addition I had conferred with [redacted] and was told that those traffic rights would be supported diplomatically and that we could count on them.

the captain

I was in touch with [illegible] all the time and verified all [illegible] them. In fact [redacted] was in Schwimmers home and we negoti[redacted]there that we needed 30 000 USD in order to go to the [redacted]destination because we had not planned on it and therefor[redacted] not enough cash with us. Also we did not trust them tha[redacted]verything was paid in THR. Schwimmer came up with 8000 USD a[redacted] lenghty discussions because it was Sunday in the meantime [redacted] could not get more money.

PHASE IV - Flight [redacted] performed

the 707

According to the new agreement between Schwimmer and me [redacted] had been unloaded again and departed [redacted] [redacted] on Sunday the 24 Nov.

the 707 captain

[redacted] did this flight and took all extra crew back except for the second loadmaster because it had become obvious to us that the TLV/THR route could be flown by one crew due to the lenghty loading and [illegible]ected unloadg proc[redacted]

In the meantime Schwimmer confirmed that [redacted] rights for overflight [redacted] had been confirmed [redacted]e could go with [redacted] as soon as it was loaded.

However, the last mo[illegible] they decided [redacted] our agreement that the aircraft sho[illegible] land [redacted] [illegible]oping on to THR. This required additional funds by us [redacted] had to be defuelled in TLV because it would ha[redacted] for landing [redacted] and had to refuel. this miss[redacted] [illegible] money but [redacted]ter long [redacted]cussions Schwimmer [illegible] supplied another 2000 [redacted] which ga[redacted] the CO about [illegible] together with the cash he had in his ships funds.

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the captain

Finally we gave the green light for [redacted] to take off and he left TLV with [redacted] on the 24 Nov.
Since arrival it had taken him exactly 24 hours for loading and clearing all the problems.

The captain

After arrival [redacted] [redacted] had new problems as the customer and especially the military in TLV had not only not given him any documents for the load but also had taken out every evidence which might have proved that the aircraft was in TLV.
Customs [redacted] therefore did not want to release the aircraft unless documents were produced and therefore the load also had to be inspected. Finally [redacted] wrote a cargo manifest himself, which was accepted although it had no stamp of the departure point and finally he could talk his way out of this situation. Finally he therefore left at [redacted] direction [redacted] as planned.

The capt

However, nothing was prepared for overflight [redacted] and he had again to talk his way through. Since they repeatedly insisted on a diplomatic clearance number, he made one up which was not accepted after long negotiations and then he filibustered one hour and 30 min his way [redacted], using different altitudes, positions and estimates that he told [redacted] [redacted] with whom [illegible] obviously in radio contact.
However, radar real[illegible] his off- positions which gave additional reas for arguments and [illegible] delays.
At the THR border [illegible] received without any problems but he did not have to say the [illegible] code "I am coming for Mustafa" because Radar treat[illegible] very normally.
Finally he landed [illegible] [redacted] on the 25 Nov(monday)

PHASE V - Unloading

After landing in THR the aircraft had to remain on the runway for about 10 min until a "follow me" came and directed them to the parking area which was on the military side.
The landing had been done on runway 29 r and the aircraft was directed to the south of this runway onto the the north/west part of the southern military apron. [redacted] It is a special area which is su[illegible]d by a high fence to the outside so that people outside the [illegible] cannot see the aircraft.

the captain

[redacted] was first contacted by an office[illegible] who directed the unloading later and who told him th[illegible] [illegible] know about this flight and were surprised that it [illegible] come.
30 min after arrival a civilian with a [illegible] on his back arrived at the aircraft and aske[illegible] first: "What are the nationalities of the cr[illegible] [illegible] cargo, where do you come from ?"
Then he talked to [redacted] telling him that he should not

the captain

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tell anyone including the military where the aircraft really came from. He then mentioned that they were expecting 4 more flights from TLV. He would like to see the same crew then due to security. When [redacted] the Captain was asking for money or arrangements of fuel, parking etc. he told him [illegible] to worry and th[illegible] everything would be taken care of.

2 Supervisor then started to direct the unloading, one military and [illegible] civilian with submachine gun[illegible]

The [illegible]w was sent to the officers [illegible] where they were [illegible]gain by the civilian to keep their mouth shut about this and not talk to anyone about their mission.

Capt [redacted] then told him that our crew did not want to pass through passport and customs control [redacted] as they expected [illegible] then [illegible] again.

Therefore the civilian took them in a car through back roads off the airport and was not checked or stopped at the gate although even military had to pre[illegible] their id - cards at that gate.

The trip to the Hotel took one hour and finally they arrived at the former Shera[illegible]otel. (Different name now, could not remember)

All rooms were occu[illegible] and therefore they had to take a suite together. After be[illegible] the hotel for about 2 hours to the surprise of the cre[illegible]y got a phone call that the aircraft was unloaded and that [illegible]ould be picked up in a few minutes. This was 6 hours a[illegible]he aircraft had landed. [redacted] the capt had remained at the ai[illegible] for some time to see that the unloading really took place a[illegible]at it was done [illegible]ly. Then the time in the office[illegible]s and the trip to the Hotel had taken some time.)

However, after this alert it took 2 hours until the car finally arrived. In the meantime the civilian had apologized several times and the crew was offered coffee and cakes.

After arrival at the airport through the "backdoor" [redacted] the capt required a permit number for overflight [redacted] in order to avoid the problem he had coming in. He refused to leave without. Therefore he and the civilian went to the Tower from where they tried to [redacted] obtain this number. After about 2 hours of trying [redacted] told them that the [illegible]ht was ok but they could not get a number. Also [illegible] the told that the Air Defense of Iran was informed and that [illegible] leave now which he finally accepted.

When the crew was taken over to the air[illegible] [illegible]alized that the aircraft had been towed to the civi[illegible] the meantime and that it was being fuelled by civi[illegible]

When [redacted] the captain asked for full tanks (or[illegible] [illegible]im because after all those problems which I was [redacted] the had called [redacted] via Telefone from the [illegible] I want[illegible]e possibil[illegible] to take the aircraft directly back [redacted] if necessary) the civilian who had received him was very disappointed because he realized that so much fuel was not needed to go back to TLV. However [redacted] told him that he needed the extra for security.

the captain

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PHASE VI - Return flight

The aircraft took of at [redacted] on the 25 Nov. after 14:35 hours on the ground in THR.
The aircraft was directed by radar off the airways a little more to the north than normally, close to the Russian border.
A[illegible] was given a special exit time which he had to meet [illegible] to comply with the Iranian Air Defense.
Approaching Tabriz the aircraft was ordered down from FL 350 to FL 280, shortly before reaching [redacted] border again up to FL 350. (reason unknown).
No transponder was used in the Iranian airspace. Captain
After arrival [redacted] [redacted] was told by radar that this time he was accepted but ~~that~~ in future for further flights, the ok of the civilair was not enough but that he had to get also the ok of the Ministry of foreign affairs and that otherwise the aircraft would be turned back.
the captain
Based on all this information, I ordered [redacted] via radio to proceed directly [redacted] which we had planned initially [redacted]
The aircraft arrived [redacted] 26 Nov.
[redacted]

GENERAL CONCLUSIONS

The mission was poorly planned and directed by our contract partners in a amateurish way.

1. [redacted] that for about a week with [redacted] to THR.

2. Copp was sitting in [redacted] although [redacted] was [redacted] not flown to and he as our contract partner could not [illegible] what was going on in TLV.

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3. In TLV the aircraft was on the militar[illegible] loaded by high ranking military personnel who we[illegible] [illegible]omed to this type of work. (The lowest ranking [illegible]cer [illegible] Lieutenant) In addition they did not work much a[illegible] many coffe brakes.

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4. A certain Mr.A.Schwimmer which was introduced to me by Copp as the representative in TLV of Copp, was very pushy with the military, sometimes to a point where he was insulting, but he did not understand the special aviation problems and did not have things under control. I.E. He sriously proposed to the Captain [redacted] to change the registration of the

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[illegible] [redacted] aircraft and to forge the respective papers " is 2 hours". This was turned down by [redacted] and also by myself when Schwimmer mentioned it on the phone due to the before mentioned reasons.

the captain

Also the cash money which Copp had promised was not available and Schwimmer apparently did not know about this requirement.

5. The routing changes, destination changes, involved traffic rights were done too late and the crew grew more and more insecure as they are not used to this type of makeshift Airline direction and control.

6. The mission was still performed successfully because of the initiative the crew had displayed and because they are used also under adverse circumstances to complete the mission before problems will be discussed. However, this is not the way it can be done repeatedly because the good will will be worn out.

PROPOSAL

As Aviation is a ve[illegible]plex business which requires a lot of experience from all [illegible]rned and also because the feed back information is so v[illegible] for the operation, the directly involved employees have to b[illegible] of the decision making and planning as early as during the contracting stage.
Had it not been a special flight, I would have delayed for about 2 days after I had learned about the change of Destination in order to have enough time for correct planning and the aquisition of the necessary traffic rights.
The little radar controlle does not know political decisions and will not even be informed by his superiors. We experienced that time and again. Therefore all those things have to be presented in a normal way so that the controller simply has a di[illegible] clearance number like he has for every other aircraf[illegible] this flight will look totally normal for him.
In other words: Those flights can be perf[illegible]ut any problem by only with the proper planning.
In order to have proper planning, the m[illegible] of [illegible]irline, who happens to be myself, should be heard b[illegible] con[illegible]ng or making commitments to third parties an[illegible] of the planning process.

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[illegible] therefore suggest that during the preparation process I should [illegible]ized to the meeting of the departments which are involved in [illegible] decision making.

[redacted]

I [illegible]ze that there is the aspect of security and that the [illegible]s have to be done in a clandestine way. However, it cannot [illegible] worse than it was during this last mission and it could have been performed totally clandestine, had the above proposed meeting taken place in advance.
In aaddition to that, my presence during those meetings could provide the concerned officers who represent the different departments with useful feedback information so that for future planning some things can be ruled out right away without even going into detail whereas others can be accepted right away without checking details.

In addition to that [illegible]ingle missions or tasks to be performed should be part of a[illegible]ategy which I am sure exists, but which I am not aware of i[illegible]il. Knowing the all-over atrategy it would be easier to [illegible] certain missions and it would even be easier to plan the [illegible] budget which defines whether new airplanes have to b[illegible]chased/leased or others have to be sold.

In short: I would a[illegible]ate if I could be given more responsibility by being more part [illegible] team as far as the planning of the avaition aspects ar[illegible]erned. I think it is a waste of experience and information whe[illegible]s not made part of the planning process. I also like to make sure that I am not on a "ego trip", but that I have the success of our company in mind which last not least is alse the success of this country.

[redacted]

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Chapter 10. Footnote 73

PAID TO

6567

RECEIVED FROM B/O LAKE RESOURCES

DATE 29 NOV 85

PURPOSE TH[redacted]LIGHT 23-25 Nov. 85

ACCOUN[redacted]	ACCOUNT NUMBER	DEBIT	CREDIT
Close Bank $.	$ 10110 ✓	126.809,50 ✓	
Bank Charges	$ 70790 ✓	190,50 ✓	
Charter Revenue Freight 707	$ 30301 ✓		127.000.- ✓
	[redacted]		
		3 [redacted]	2/43

Parti[illegible] Declassi[illegible] [illegible]ease, on 12[illegible]1988
[illegible] E.O. 12356
[illegible]ional Security Coun[illegible]

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REVIEWED FOR RELEASE
Date 20 Apr 87
HSC + SSC

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CHECK #	AMOUNT	PREPARED BY	Date	VOUCHER #

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_CHASE US$
Chapter 10, Footnote #3
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6573

PAID TO

RECEIVED FROM ..LAKE RESOURCES

DATE 3-DEC-85

PURPOSE THR-FLIGHT

ACCOUNT TITLE	ACCOUNT NUMBER	DEBIT	CREDIT
Chase Bank $	$ 10110	700.-	
Charter Revenue Freight	$ 3830 (G-3)		700.-
	-3		2/43
	4216-		

Partially Declassified/Released on 17 Jan 1988
under provisions of E.O. 12356
by B. Reger, National Security Council

CIIN 2567

UNCLASSIFIED

CHECK # AMOUNT PREPARED BY VOUCHER

DO 25607

20 Apr 87
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Chapter 10 #80 C/EUR INCOMING

[redacted]

10-80

85 9122501 ASO PAGE 001 IN 9122501
TOR: 26[redacted]NOV 85 [redacted]

S E C R E T 26[redacted]NOV 85 STAFF

1/22/88

CITE[redacted]

TO: IMMEDIATE DIRECTOR.

[redacted]

SUBJECT: -DCM-MEETING WITH FOREIGN MINISTRY

FROM DCM

1. DCM[redacted]CALLED TO FOREIGN MINISTRY NOVEMBER 25 AND GIVEN TWO NOTES[redacted]TRANSLATIONS PROVIDED IN PARAS 8 AND 9. NOTE ACTION REQUESTED PARA 7.

2. [redacted]SAID ESSENTIAL POINT WAS THAT THE PROPOSED OPERATION WAS SO DIRECTLY IN CONFLICT WITH [redacted] U.S. POLICY AND [redacted] POLICY THAT THE GOVERNMENT NEEDED THE WRITTEN ASSURANCES THAT THE OPERATION WAS FOR HUMANITARIAN REASONS AND WAS DESIGNED TO GAIN THE RELEASE OF AMERICAN CITIZENS. HE SAID HE WANTED TO EMPASIZE THAT WITH THESE ASSURANCES[redacted]HAD [redacted] PREPARED TO APPROVE THE OPERATION. IT REMAINED PREPARED TO DO[redacted]

3. THE DCM SAID THAT WHILE THE DES[redacted]FOR WRITTEN ASSURANCES WAS UNDERSTANDABLE,[redacted]SHOULD UNDERSTAND THAT THE ACTIONS OF[redacted]ON N[redacted]ER 22 AND 23I GAVE THE IMPRESSION TO SOME THAT[redacted]WAS S[redacted]NG, ESPECIALLY SINCE MR. MCFARLANE HAD THE DISTINCT IMPRESSION THAT THE FOREIGN MINISTER HAD GIVEN HIM A GREEN LIGHT ON THE NIGHT OF THE 22ND. THE SUBSEQUENT INSISTENCE ON A NOTE HAD BEEN DISQUIETING. THE DEMAND FOR A SECOND NOTE CONVINCED THOSE MANAGING THE OPERATION THAT[redacted]DUCTED FOR THE HUMANITARIAN PURPOSE OF ASSISTING AMERICAN CITIZENS IN TROUBLE.[redacted]SAID HE COULD NOT MAKE A JUDGEMENT. MOREOVER, THE FOREIGN MINISTER WAS IN BRUSSELS.

4359

5. DCM THEN NOTED THAT AMBASSADOR[redacted]WAS SCHEDULED TO CALL ON THE PRIME MINISTER AFTERNOON OF NOVEMBER 26.[redacted] SAID THAT IF U.S. STILL INTERESTED, THE MEETING WITH THE PRIME MINISTER WOULD PROVIDE EXCELLENT OPPORTUNITY TO GET PM'S AGREE[illegible]

6. AMBASSADOR'S CALL IS SET FOR 4:30PM LOCAL TIME. IF NS[illegible] NOT FOUND ALTERNATIVE MEANS AND IF THERE IS STILL INTEREST I[illegible] [redacted] COOPERATION, WE BELIEVE MEETING OFFERS EXCELLENT OPPO[illegible] TO GET IT.

7. PLEASE ADVISE US AT OPENING OF BUSINESS NOV 26 IF T[illegible]S A[illegible] INTEREST IN REVIVING[redacted]COOPERATION AND IF SO ON W[illegible]

A

8. NOTE 4952: "THE MINISTRY OF FOREIGN AFFAIRS PRESE[illegible] COMPLIMENTS TO THE EMBASSY OF THE UNITED STATES OF AMER[illegible]D IN REFERENCE TO THE EMBASSY'S NOTES[redacted]OF NOVEMBE[illegible]AND TO OTHER COMMUNICATIONS IN OTHER CHANNELS ON THE SAME SUBJECT, CANNOT HELP BUT BE AMAZED BY THE MANNER IN WHICH THE MATTER WAS CONDUCTED BY NORTH AMERICAN AUTHORITIES.

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85 9122501 [redacted] 50 PAGE 003 IN 9122501
TOR: 26 [redacted] NOV 85 [redacted]

AT 7:00 PM, THE CHARGE OF THE USA WAS RECEIVED BY [redacted] [redacted] THE FOREIGN MINISTRY WHO WAS SUPPOSED TO RECEIVE FROM DCM THE AGREED NOTE.

"TOTALLY CONTRARY TO WHAT WAS ANTICIPATED, AND TO THE GREAT SURPRISE OF THE MINISTER OF FOREIGN AFFAIRS, WHO IMMEDIATELY RECEIVED THE CHARGE, A NOTE, TOTALLY DIFFERENT FROM WHAT WAS EXPECTED EXPRESSING "REGRET THAT THE GOVERNMENT [redacted] WAS UNABLE TO FUFILL THE REQUEST F THE GOVERNMENT OF THE UNITED STATES FOR THE HUMANITARIAN MISSION REFERRED TO IN EMBASSY NOTE NO [redacted] WAS PRESENTED RIGHT IN THE MIDDLE OF FULL SCALE EFFORTS DESIGNED TO PROVIDE THE ALREADY REFERRED TO "PROMPT AND URGENT" SOLUTION.

"IN THIS REGARD IT IS NECESSARY TO RECALL AND TO EMPHASIZE CLEARLY AND SURELY THAT IT HAD BEEN CLEARLY AGREED THAT A PROMPT AND URGENT RESPONSE WOULD BE GIVEN ON THE BASIS OF AN EMBASSY NOTE MENTIONING THE REAONS FOR THE MISSION. SUCH A NOTE WAS NOT PROVIDED AS EXPECTED.

"THE MINISTRY OF FOREIGN AFFAIRS [redacted] THE OPPORTUNITY TO RENEW TO THE EMBASSY OF THE USA THE ASSURAN ITS HIGHEST CONSIDERATION."

10. NO FILE. DECL OADR DRV HUM A LL SECRET
END OF MESSAGE SE

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Date 20 APR 1987
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Chapter 10 #80

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10-80

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in
Full

2 pages · C 5796, C 5797
27 Nov 85

4974

UNCLASSIFIED Chapter 10
Footnote 82 (F 1)

359

TEXT OF TELEGRAM 85[redacted]

ADP423
~~SECRET~~

PAGE 01 [redacted] 22[redacted]
ACTION SS-25

INFO LOG-00 COPY-01 ADS-00 SSO-00 /026 W
------------------272514 221416Z /46

R 22[redacted]NOV 85
FM AMEMBASSY[redacted]
TO SECSTATE WASHDC 9779

S E C R E T[redacted]

EXDIS

E.O. 12356: DECL: OADR
[redacted]
SUBJECT: ALLEGED ISRAELI TRANSSHIPMENT OF ARMS
- TO IRAN

1. SECRET - ENTIRE TEXT.

2. DURING DISCUSSION WITH A/DCM NOVEMBER 21 MFA [redacted] RAISED ISSUE OF [redacted] SAID THAT MFA [redacted] ARMS SALES TO IRAN. [redacted] RECEIVED A CALL NOVEMBER 20 [redacted] FIRM [redacted] THE FROM A MANAGER OF THE [redacted] MANAGER STATED THAT HE HOPED FOREIGN MINISTRY AUTHORIZATION WOULD BE GIVEN FOR TWO AIRCRAFT TO TRANSIT [redacted] THEY WOULD BE CARRYING ARMS [redacted] SAID THAT THE PROVIDED BY ISRAEL FOR IRAN. [redacted] OFFICIAL (APPARENTLY ACTING AS BROKER FOR THE ARMS DEAL) REFERRED TO AN "AMERICAN GENERAL" INVOLVED IN THE UNDERTAKING AND TO CLOSE RELATIONS OF [redacted] WITH THE U.S. [redacted] WONDERED IF THE EMBASSY HAD INFORMATION ABOUT THIS STRANGE CASE PERHAPS INVOLVING A RETIRED U.S. GENERAL.

3. A/DCM REPLIED THAT THE POTENTIAL SHIPMENT WAS CERTAINLY NEWS. NOR WERE WE AWARE OF ANY AMERICAN

SECRET
SECRET

PAGE 02 [redacted] 22[redacted]

CONNECTION. A/DCM REITERATED STRONG U.S. OPPOSITION TO ARMS SALES TO IRAN AND RECALLED THE MANY DISCUSSIONS WITH [redacted] INCLUDING AMBASSADOR [redacted] LENGTHY BRIEFING OF FONMIN [redacted] LAST SPRING. [redacted] STATED THAT POSITION HAD BEEN CLEAR AS WELL - LIMITED SALES OF [redacted] AMMUNITION FROM WOULD CONTINUE, BUT [redacted] WOULD DENY OTHER ITEMS OR TRANSSHIPMENT OF WAR MATERIEL FOR IRAN. REGARDING

PAGE NO.

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TEXT OF TELEGRAM B[redacted]

THE CASE IN QUESTION SAID THAT NO OFFICIAL REQUEST FOR AUTHORIZATION HAD BEEN MADE TO THE MFA. IF THERE IS A REQUEST IT WILL BE REJECTED. ALTHOUGH [redacted] ACKNOWLEDGED THAT SOME TRANSSHIPMENTS MAY HAVE TAKEN PLACE WITHOUT FOREIGN MINISTRY KNOWLEDGE, ITS AUTHORIZATION IS NECESSARY FOR LEGAL TRANSSHIPMENT. IN THIS PARTICULAR CASE IT WILL NOT BE GIVEN, AND IN [redacted] VIEW, THE PROPOSED TRANSSHIPMENT WILL NOT OCCUR.

[redacted]

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Chapter 10, Footnotes 83, 84, 150 C.575 - 57

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[redacted]

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ACTION

10-83+84

85 10[illegible] ASO PAGE 001 IN 9103070
TOR: 23[redacted]NOV 85 [redacted]

~~S E C R E T~~ 23[redacted]NOV 85 STAFF

CITE [redacted]

TO: [redacted]

Partially Declassified/Released on 23 June 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

SUBJECT: NSC MISSION

FROM CHARGE

1. AT 2015 HOURS LOCAL TIME, CHARGE MET WITH FOREIGN MINISTER[redacted]AND HANDED OVER NOTE INCORPORTATING LANGUAGE EXPRESSING REGRET[redacted]REACTION WAS MIXTURE OF PUZZLEMENT AND INDIGNATION. HE SAID[redacted]TE WAS INACCURATE BECAUSE[redacted]WAS PREPARED TO RESPO[redacted]TIVELY AT THE MOMENT. ALL IT HAD ASKED FOR WAS A [redacted]PORTING THE INFORMATION MR. MCFARLANE HAD GIVEN [redacted]NG THEIR TELEPHONE CONVERSATION NIGHT OF NOVEMBER 22. H[redacted]HE HAD TOLD MR. MCFARLANE HE NEEDED SUCH A NOTE AND [redacted]NE HAD AGREED.

2.[redacted]SAID THE FIRST NOTE[redacted]T CONTAIN ALL THE NECESSARY INFORMATION.[redacted]T NEEDED A REITERATION OF THE HUMANITARIAN PURPOS[redacted] THE FACT THAT IT WAS DESIGNED TO RELEASE AMERICANS BE[redacted]D.[redacted]

3. CHARGE MADE STRONG APPEA[redacted]RECONSIDER NEED FOR A WRITTEN STATEMENT OF PURPOSES AND POINTED OUT BOTH POLITICAL SENSITIVITY AND IMPORTANCE OF SUCH AN OPERATION TO THE PRESIDENT[redacted]SAID HE UNDERSTOOD. [redacted]WANTED TO COOPERATE BUT IT HAD TO PROTECT ITSELF POLITICALLY.[redacted] NEVERTHELESS SAID[redacted]WOULD TAKE ANOTHER LOOK AT SITUATION AND WOULD GET IN TOUCH WITH CHARGE IF ITS POSITION CHANGED. IN ANY EVENT HE SAID[redacted]WOULD RESPOND TO THE NOTE AND TAKE ISSUE WITH THE IMPLICATION OF THE NOTE THAT[redacted]WAS NOT TRYING TO BE HELPFUL.

4.[redacted]THEN SPENT ABOUT FIVE MINUTES EXPRESSING HI UNHAPPINESS WITH THE "DISASTROUS" WAY THIS OPERATION WAS HANDLED. HE SAID IF[redacted]HAD KNOWN WHO THEY WERE DEALI WITH, THINGS COULD PROBABLY HAVE BEEN WORKEDOUT. BUT ANONYMOUS PEOPLE CLAIMING TO "REPRESENT THE AMERICAN ADMINISTRATION" HAD RAISED ALL SORTS OF UNNECSSARY QUEST PARTICULARLY UPSETTING WAS AN EFFORT BY THESE PEOPLE TO HIM AND THE PRIME MINISTER AT THE AIRPORT ON THEIR RETUR BRUSSELS. THEY FAILED TO DO SO BECAUSE THE MINISTERS FLYING A MILITARY AIRCRAFT. NEVERTHELESS IN THE PROCESS THEY AROUSED BOTH ATTENTION AND SUSPICION.[redacted]CLOSED THE MEETING BY REITERATING THAT[redacted]WOULD TAKE ANOTHER LOOK AT IT. CHARGE THANKED HIM AND REITERATED PROPOSED FLIGHTS PART OF

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ACTION

[redacted]

85 [redacted] ASZ [illegible] PAGE 001 IN 9103143
TOR: 2[redacted]NOV 85 [redacted]

~~3~~ [redacted]T 23[redacted]NOV 85 STAFF

CIT[redacted]

TO: FL[redacted]

[redacted]

Partially Declassified/Released on 23 June 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

SUBJECT: NSC REQUEST

REF: DIRECTOR 627461

1. ON RECEIPT REF[redacted]MET FIRST WITH[redacted]AND SUBSEQUENTLY WITH[redacted] IT BEING SATURDAY NIGHT, TRACKING THEM DOWN WAS NOT RAPIDLY ACCOMPLISHED[redacted]OFFICIALS TOOK PROVIDED INFORMATION AND NOTED A NUM[redacted]INDIVIDUALS WOULD NEED BE CONTACTED IN ORDER SEEK AGREEMENT[redacted]ERFLIGHTS[redacted]

2. AT APPROXIMATELY 2200 LOCAL[redacted]REPORTED MILITARY AND PRIME MINISTER'S OFFICE WERE IN GENE[redacted]EEMENT BUT DECISION WAS THAT MFA SHOULD BE APPROACHED DIRECTLY.[redacted]

3.[redacted] AT THIS POINT[redacted]DECIDED BRIEF AMBASSADOR DUE NECESSITY DEAL DIRECTLY WITH MFA. AMBASSADOR WAS SUPPORTIVE.

4.[redacted] BRIEFED HIM PER REFS. HE AGREED IN PRINCIPLE TO THE OVERFLIGHT REQUESTS BUT NOTED FOLLOWING WHICH[redacted]WOULD BELIEVE NECESSARY TO THEIR FINAL DECISION:

A. SOME IDEA OF WHAT THE AIRCRAFT WOULD CARRY AS PRESUMABLY THEY WOULD NOT BE EMPTY;

B. OVERFLIGHT OF THREE AIRCRAFT SIMULTANEOUSLY OR CLOSE[redacted]WING WOULD NOT BE ACCEPTABLE. HE SUGGESTED 24 HOUR STAGGERING;[redacted]ED WITH 12 TO 18;

C.[redacted]

5. IN OUTLINING HIS CONCERNS[redacted]NOTED[redacted]AS A[redacted]AN[redacted] WISHED ACCEDE TO THE REQUEST BVUT FELT THEY ENTITLED TO MO[redacted] THAN SO FAR PROVIDED.[redacted]THEY NEEDED IN ADDITION TO SOME MORE[redacted]S FOR THE[redacted] OWN USE, ALSO A COVER STORY SHOULD FLIGHTS CALL ADVERSE[redacted]TION.

6.[redacted]COMMENT: IT IS CLEAR FROM CONVERSATIONS WITH[redacted]OFFICIALS[redacted]IS WILLING TO AGREE TO THE NSC PROPOSAL PROVIDED WE ARE A LITTLE MORE FORTHCOMING ABOUT WHAT IS INVOLVED. THEY BELIEVE THEY ARE ENTITLED TO SUCH CO[illegible]ATION.

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Chapter 10, Footnote c

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ch 10 #92

10-92

Central Intelligence Agency

Washington, D.C. 20505

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17 July 1987

Mr. Paul Barbadoro
Deputy Chief Counsel
Select Committee on Secret Military
  Assistance to Iran and the Nicaraguan Opposition
United States Senate
Washington, D.C. 20510

Dear Mr. Barbadoro:

I am writing in response to your letter of 2 July 1987. In that letter, you asked for several documents and other information pertaining to the Committee's investigation.

In paragraph 1 of your letter, you requested the portion of the CIA regulation which deals with the approval process on requests originating with the White House and/or NSC. A copy of that portion of the regulation is enclosed at Tab A.

In paragraph 2 of your letter, you requested the second page of CIIN#3156. David Pearline has discussed this matter with Tom Polgar and determined that the Committee does have the second page of CIIN#3156. Mr. Polgar agreed that it would not be necessary to retransmit this document.

[redacted]

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[redacted]

In paragraph 4 of your letter, you requested information on what is meant when CIA cable traffic refers to the "highest level of U.S.G. interest." First, there are no CIA rules or regulations that define this term. Since this term was used by Duane Clarridge in cable traffic, we have asked him what he meant by this term. He advises that he was referring to the White House and that it is possible that North had suggested that he use that term in the traffic.

In paragraph 5 of your letter, you have requested a memorandum prepared by [redacted] dated 21 November 1985. Enclosed at Tab B is a sanitized copy of the memorandum. The full text copy of the memo has been reviewed by Tim Woodcock at CIA Headquarters.

In paragraph 6 of your letter you requested for Tim Woodcock a copy of the finished intelligence report on Iran, which was mentioned in a briefing provided to Mr. Polgar by [redacted] on 19 June. A copy of the intelligence report is enclosed at Tab C. The report contains some sensitive information classified at the Secret ORCON level. We would request that Mr. Woodcock read the document, make no copies of the document and return it to the Agency after he has completed his review.

In paragraph 7 of your letter, you requested a copy of the CIA Inspector General's report on Central America. The report has not been completed. We anticipate the report will be completed in the next few weeks.

In paragraph 8 of your letter, you requested [redacted] tapes found in the safe of the former [redacted] Enclosed at Tab D are the actual tapes themselves. Three of the tapes contain no recordings and are therefore not included.

Sincerely,

John A. Rizzo

Enclosures
as stated

UNCLASSIFIED

10-102 [redacted]

22 Nov. 85
Chapter 10, Footnote 102

UNCLASSIFIED C 6535

1600 Hrs 22 Nov 85
AIR BRANCH (AB)

[redacted] Called requesting availability of [illegible] 707s for movement of sensitive high priority cargo 240,000 lbs [illegible] pieces 3360 lbs each measuring 18'L x 2½'W x 3½'Tall [illegible] pickup & Destination was Tel Aviv to [redacted] [illegible] or so coordination, was determined that [illegible] aircraft could be made available one was on the ground [redacted] scheduled for Sat am [redacted] The Second one was delivering cargo to [redacted] and then to [redacted] [redacted] D contacted and had the aircraft crews put on standby. It later developed that the [redacted] A/C had landed, loaded and departed for [redacted] leaving only one A/C avail [illegible] the flight immediately.

[illegible] Hrs final approval was given and I was advised that Richard Copp would be contacting [redacted] about 2000 this did happen and by then knew the Second aircraft was not avail. Customer agreed to 65k plus all expenses and was to arrange fuel and clearances at [illegible] for Estimated 3 Loads [illegible] Copp had no problem with using only one aircraft. The first departure time was scheduled [redacted] [illegible] GMT.

2200 Everything was [redacted] and again no news is good news.

DO 26199 3 3C 2/43

4218

1000 Hrs 23rd [redacted] called no problems to them. I informed them of [illegible] reasons the time [illegible]

C IIN 25.37

REVIEWED FOR RELEASE
Date 20 [illegible]
HSCI 55c

UNCLASSIFIED [redacted]

C 6536

10 Mar.. Later [redacted] called to inform me that the 1st aircraft was late leaving [redacted]. He had diverted the second a/c at the request of the customer. The [illegible] had also requested we further move the cargo to Tehran. [redacted] (the message) indicated the [illegible] was the same load he had earlier reported to us [redacted]. Declaration to do this ~~[illegible]~~ indicated. If we go to [redacted] to [illegible] and take money. He needed to [illegible] passed this on [redacted] (AD) and he to [redacted] (C/AB) and [Dewey] (C/EUR). He called back that they're considering it [illegible] did not want [redacted] (money) to get out of touch with the customer long enough to make money.

[redacted] to destination [redacted]? Why

[redacted] Checkman & Freedom – [redacted]

[redacted]

1700 [illegible]
2000 Change loading to [redacted] Remove

12 Apr 88

UNCLASSIFIED

3 32 2/43

26198

REVIEWED FOR RELEASE
Date 20 Apr 87
HSCOSSC

CIIN 2537

295-1750

UNCLASSIFIED [redacted]

[redacted]

1900 22 Nov Watched CBS report [redacted]

2000 Called [redacted] He had seen and was standing by for instructions.

2015 Called DCJAB [redacted] He had seen and not[illegible]
DOD

2200 [redacted] called to inform me that the [illegible] was moving [redacted] staging in place.

1030 23rd EMPLOYEE [redacted] called with some [illegible] question should [redacted] sign be taken down

Routing - Entry [illegible] Exit Point [illegible] & Time
ETD [redacted]
Note: No direct routing avail - indirect expected as planned. Route dangerous - Comments.
No

8 mi min

M
~~[illegible]~~ MUT :18 min After T.O.
ARRI
ALRAM 1:24 after MUT
1:42

Tehran :46

(:15) TABRIZ NW corner
12

1400 [redacted]
ETD 1600

T.O.

14 [illegible]

3 [illegible] 3C 2/43

North [illegible] Sou[illegible]

In [illegible] To
C11N 2537

A/C Ready - No money
0550
- No Traffic Rights
- [illegible]

REVIEWED FOR RELEASE
Date 2017

C 6538

guy at local site says

1135 – [redacted] hours 8000. – Cargo in 2

1150 [illegible] aircraft. based on people at site assurance of [illegible] [illegible]

[redacted] ETA / Via. Bonus for Employees

have to [illegible] - Land @ [redacted] 6K

14 Hrs to unload. → Two groups in the [illegible].

dont come back direct [redacted] → 24 hrs. to load

1 aircraft. Very Rich guy →

130 + 1:30 +1:30

+40 +1:3

20:00 :40

20:40

1:30

22:10

0010

[redacted] [redacted]

2000 Z Del
2040 Z
2210 Z
0010 Z 24 Hr
1410 Z 24 Hr

2100 Z

On ground [redacted] no Cargo Doc
Mr. North.

[redacted]

Just off.
2½ Hrs after Landing

Arr 2 [redacted]

19:00 GMT [redacted] Tomorrow Evening

00:00

3-32-2/43

DO

20.

UNCLASSIFIED

[illegible] for release 20 Aug 82

CIIN 2537

UNCLASSIFIED Chapter 10. Footnote 114 41

C/EUR
ACTION

[redacted]

C 5742

85 [redacted] ASZ [redacted]
CORRE[redacted]OPY

PAGE 001
TOR: 23[redacted]NOV 85

IN 9100473[redacted]

10-114

S E C[redacted] 23[redacted]NOV 85 STAFF

CITE[redacted]

TO: F[redacted]

[redacted]

SUBJECT: REQUEST FOR ASSISTANCE

1. COPP CALLED STATION TO REQUEST WE FORWARD FOLLOWING:
WE HAVE DC-8[redacted] OVERFLIGHT CLEARANCE HAS BEEN REQUESTED BUT NO RESPONSE RECEIVED AS YET. REQUEST YOUR ASSISTANCE URGENTLY

IF WE HAVE NO FURTHER PROBLE[redacted]CIPATE THIS AIRCRAFT WILL DEPART[redacted] CIRCA [redacted] TODAY.

2. FILE: DEFER. DECL OADR DRV H[redacted]

WASH S/C NOTE: MSGNBR IS DUPE WITH [redacted] BEING SERVICED.
HFD COMMENT: CHANGED CITE NUMBER PER [redacted]0473.

END OF MESSAGE

Partially Declassified
under pro
by B.
12 Jan 1988

4219

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC + SSC

DO

21[illegible]5

3 7C

C/IN 2148

UNCLASSIFIED

Chapter 10, Footnotes 80, 134, 141 5794-95

UNCLASSIFIED

[redacted]

C/EUR
INCOMING

10-139+141

85 9122[redacted] ASO PAGE 001 IN 9122501
TOR: 2[redacted] NOV 85 [redacted]

~~S E C R E T~~ [redacted]20[redacted] NOV 85 STAFF

CITE [redacted]

TO: IMME[redacted]

[redacted]

Partially Declassified/Released on 23 June 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

SUBJECT: ~~DCM~~-MEETING WITH FOREIGN MINISTRY

FROM DCM

1. DCM [redacted] CALLED TO FOREIGN MINISTRY NOVEMBER 25 AND GIVEN TWO NOTES [redacted] TRANSLATIONS PROVIDED IN PARAS 8 AND 9. NOTE ACTION REQUESTED PARA 7.

2. [redacted] SAID ESSENTIAL POIN[redacted] THAT THE PROPOSED OPERATION WAS SO DIRECTLY IN CONFLICT WITH [redacted] U.S. POLICY AND [redacted] POLICY THAT THE GOVERNMENT NEEDE[redacted] WRITTEN ASSURANCES THAT THE OPERATION WAS FOR HUMANITARIA[redacted]ONS AND WAS DESIGNED TO GAIN THE RELEASE OF AMERICAN CITIZENS. [redacted]AID HE WANTED TO EMPASIZE THAT WITH THESE ASSURANCES [redacted] HAD [redacted] PREPARED TO APPROVE THE OPERATION. IT REMAINED PREPARED TO DO [redacted]

3. THE DCM SAID THAT WHILE THE DES[redacted] FOR WRITTEN ASSURANCES WAS UNDERSTANDABLE, [redacted] SHOULD UNDERSTAND THAT THE ACTIONS OF [redacted] ON NO[redacted]R 22 AND 23 GAVE THE IMPRESSION TO SOME THAT [redacted] WAS ST[redacted]G, ESPECIALLY SINCE MR. MCFARLANE HAD THE DISTINCT IMPRESSION THAT THE FOREIGN MINISTER HAD GIVEN HIM A GREEN LIGHT ON THE NIGHT OF THE 22ND. THE SUBSEQUENT INSISTENCE ON A NOTE HAD BEEN DISQUIETING. THE DEMAND FOR A SECOND NOTE CONVINCED THOSE MANAGING THE OPERATION THAT [redacted] DUCTED FOR THE HUMANITARIAN PURPOSE OF ASSISTING AMERICAN CITIZENS IN TROUBLE. [redacted] SAID HE COULD NOT MAKE A JUDGEMENT. MOREOVER, THE FOREIGN MINISTER WAS IN BRUSSELS.

5. DCM THEN NOTED THAT AMBASSADOR [redacted] WAS SCHEDULED TO CALL ON THE PRIME MINISTER AFTERNOON OF NOVEMBER 26. [redacted] SAID THAT IF U.S. STILL INTERESTED, THE MEETING WITH THE PRIME MINISTER WOULD PROVIDE EXCELLENT OPPORTUNITY TO GET PM'S AGREE[redacted]

6. AMBASSADOR'S CALL IS SET FOR 4:30PM LOCAL TIME. IF NSC [redacted] NOT FOUND ALTERNATIVE MEANS AND IF THERE IS STILL INTEREST IN [redacted] COOPERATION, WE BELIEVE MEETING OFFERS EXCELLENT OPPO[redacted] TO GET IT.

(1308)

7. PLEASE ADVISE US AT OPENING OF BUSINESS NOV 26 IF T[redacted]S AN[redacted] INTEREST IN REVIVING [redacted] COOPERATION AND IF SO ON W[redacted]

8. NOTE 4952: "THE MINISTRY OF FOREIGN AFFAIRS PRESEN[redacted] COMPLIMENTS TO THE EMBASSY OF THE UNITED STATES OF AMERI[redacted] IN REFERENCE TO THE EMBASSY'S NOTES [redacted] OF NOVEMBE[redacted]ND TO OTHER COMMUNICATIONS IN OTHER CHANNELS ON THE SAME SUBJECT, CANNOT HELP BUT BE AMAZED BY THE MANNER IN WHICH THE MATTER WAS CONDUCTED BY NORTH AMERICAN AUTHORITIES.

CIKN 2199/A

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Date 20 APR 1987
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UNCLASSIFIED

85 9122501 [illegible]150 PAGE 003 IN 9122501
TOR: 20[redacted] NOV 85 [redacted]

[redacted] [illegible] CHARGE OF THE USA WAS RECEIVED BY [redacted] [illegible] FOREIGN MINISTRY WHO WAS SUPPOSED TO RECEIVE FRO[illegible] THE [illegible]ED NOTE.

[illegible]ALLY CONTRARY TO WHAT WAS ANTICIPATED, AND TO THE GREAT SURPR[illegible] OF THE MI[illegible] OF FOREIGN AFFAIRS, WHO IMMEDIATELY RECEIV[illegible] THE CHARG[illegible] NOTE, TOTALLY DIFFERENT FROM WHAT WAS EXPECTED EXPRE[illegible] REGR[illegible] THE GOVERNMENT [redacted] WAS UNABLE TO FUFIL[illegible] THE GOVERNMENT OF THE UNITED STATES FOR THE HUMANIT[illegible] REFERRED TO IN EMBASSY NOTE NO. [redacted] WAS PRESENTED [illegible] IN THE MIDDLE OF FULL SCALE EFFORTS DESIGNED TO PROVIDE THE ALREADY REFERRED TO "PROMPT AND URGENT" SOLUTION.

"IN THIS REGARD IT IS NECESSARY TO RECALL AND TO EMPHASIZE CLEARLY AND SURELY THAT IT HAD BEEN CLEARLY AGREED THAT A PROMPT AND URGENT RESPONSE WOULD BE GIVEN ON THE BASIS OF AN EMBASSY NOTE MENTIONING THE REAONS FOR THE MISSION. SUCH A NOTE WAS NOT PROVIDED AS EXPECTED.

"THE MINISTRY OF FOREIGN AFFAIRS [illegible] THE OPPORTUNITY TO RENEW TO THE EMBASSY OF THE USA THE ASSURAN[illegible] ITS HIGHEST CONSIDERATION."

10. NO FILE. DECL OADR DRV HUM [illegible]LL ~~SECRET~~
END OF MESSAGE

1310

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under provisions of E.O. 12356
by B. Reger, National Security Council

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Date 20 APR 1987
HSC 286C

13

DO 21447

C11N 2199

UNCLASSIFIED

Chapter 10 10-147 30 Nov 8

MEMORANDUM 301185

UNCLASSIFIED

6522

Re.: Mission TLV/THR

1. CHRONOLOGICAL REPORT Summary

PHASE I - Contact and Contract

Friday afternoon 22 Nov first info to me via [redacted] that I would be contacted concerning an urgent flight and that it was in our interest to perform those upcoming flts.
At about 20 00 Local time I was contacted by a certain Mr.Richard Copp [redacted]
He asked me whether I had already been informed about a mission, which I denied. He then explained to me that there had to be 3 flights done as quickly as possible " Government to Government" from Tel Aviv [redacted] After a short discussion we agreed that we could do it with [illegible] aircraft consecutively for a flat fee of 60 000.00 USD plus fuel, landg,handlg had to be paid by him.
Further it was agreed that second Boeing would be made available on request should the matter get urgent.
During my subsequent phone conversation to our [redacted] I referred to my MEMO 211185 para 3 and questioned the way it was displayed to me and supposed that this cargo was the same as in my memo indicated. This was [illegible]d.

PHASE II - Positioning

Our Boeing [redacted] had just arrived [redacted] The aircraft was taken over by [redacted] and [redacted] departed [redacted] Capt [redacted] had the order that upon the receipt of the code "Celia" he would find an excuse for the customer and depart [illegible] Aviv, filing officially for [redacted] Traffic rights for [illegible]ht [redacted] were tentatively applied for by [redacted], should this become necessary.

Our second Boeing was parked in [redacted] and could not depart before the airport opened the next morning [redacted]
At the time I had made the agreement with Copp it was about 0100 GMT.
The crew [redacted] which was supposed to do a flight [redacted] the next day [redacted] was therefore alerted concerning the early departure of this aircraft to Tel Aviv. After the airport had opened the fuel company was available for fuelling this aircraft [redacted] At about this time I was informed by Copp that pallets had to be taken along. [redacted] Our own pallets were stored in the

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CIIN 2833

DO UNCLASSIFIED 20 Apr 87

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C 6523

hangar, [redacted] Due to the shortage of time we decided to let the aircraft fly [redacted] to pick up the pallets instead of transporting them [redacted] via ground transport. [redacted] The pallets had been put on a forklift in the meantime and our mechanic was waiting for the aircraft to arrive. After the aircraft had arrived the pallets were loaded and the aircraft continued to fly to Tel Aviv after having refuelled a little because of the extra flying time [redacted]

another contractor

In the meantime Capt [redacted] together with [redacted] and an copilot additional loadmaster [redacted] had arrived from Paris via train and were also on board when the aircraft departed finally at about [redacted] It arrived in TLV [redacted] (23 Nov)

Due to this departure delay, Copp had requested from me to also put the second aircraft into this operation due to the utmost urgency of the mission. Therefore the code word was IT WAS transmitted [redacted] and after unloading [redacted] fuelled and departed to TLV [redacted] The overflight rights had been granted in the meantime [redacted] landed at [redacted] on the 23 Nov in TLV [illegible]

PHASE III - Loading

Although Richard Copp, [redacted] had said to me that the loading was planned to take 5 hours but would be speeded up to 2 hours, [redacted] which had first arrived, had [illegible] loaded one piece out of 19 pieces in 4 hours. Therefor [illegible] time all concerned parties were concerned that the [illegible] would take as long as possibly 24 hours. Therefore and [illegible] obviously traffic rights had not been granted in [redacted] I was told that now the load had to be transported [illegible]ly [illegible]R. This confirmed my initial suspicions and it [illegible] obvious to me that several things had to be changed. (Copp [illegible] hours before that the traffic rights [redacted] [illegible] to be issued and that [redacted] was informed at a time where my crew told me that in TLV everyone knew that they had already been turned down and that the real dest was THR)

the 707

3 3c 2/43

DO 3224

20 April 87
HSC/SSC

C11N 2533

UNCLASSIFIED

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UNCLASSIFIED C 6524

I was given the contact of Mr.A.Schwimmer in TLV by Mr.Copp and talked to Schwimmer several times on the phone. the 707
I told him that we could not fly to THR with an American registered aircraft and that we therefore had to unload [redacted] again [redacted] He tried several times to convince me and even offered to paint a differgnt registration on the aircraft and do some kind of formation flying into THR. Keeping in mind that all phone conversations to Israel might be listened to, I told him that we were a normal Airline and wanted to stay in business for some time to come and that the only way to do it was the correct way for us to do it. Therefore [redacted] was unloaded again. the 707
In addition to that I explained to him that we needed traffic rights to overfly [redacted] which we had applied for tentatively the moment the real dest. had come out, but only for [redacted]
And also we estimated that it would take time to get those rights. In addition I had conferred with [redacted] and was told that those traffic rights would be supported diplomatically and that we could count on them.
the captain
I was in touch with our crew all the time and verified all [illegible] them. In fact [redacted] was in Schwimmers home and we negotiated there that we needed 30 000 USD in order to go to the new destination because we had not planned on it and therefore had not enough cash with us. Also we did not trust them that everything was paid in THR. Schwimmer came up with 8000 USD after lenghty discussions because it was Sunday in the meantime and he could not get more money.

PHASE IV - Flights [illegible] performed

the 707
According to the new agreement between Schwimmer and me [redacted] had been unloaded again and departed [redacted] on Sunday the 24 Nov.
the 707 captain [redacted] did this flight and took all extra crew back except for the second loadmaster because it had become obvious to us that the TLV/THR route could be flown by one crew due to the lenghty loading and expected unloadg procedures.
In the meantime Schwimmer confirmed that [illegible] rights for overflight [redacted] had been confirmed [illegible] we could go with [redacted] as soon as it was loaded.
However, the last mome they decided [illegible] our agreement that the aircraft shou land [redacted] [illegible] before going on to THR. This required additiona funds by us [illegible] aircraft had to be defuelled in TLV becaus it would have [illegible] for landing [redacted] and had to refue this missing [illegible] [redacted]
[illegible] money but even after long discussions Schwimmer only supplied another 2000 USD which gave [redacted] The capt about [illegible] together with the cash he had in his ships funds.

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Date 20 Apr 87
C11N2533 HSCI SC

3 3c 2/43

UNCLASSIFIED

10-149

See Hearing Exhibit DRC 1-19

Chapter 10, Footnotes 83, 84, 150 C575x-51

UNCLASSIFIED

[redacted]

C/EUR
ACTION

10-150

85 [illegible] ASO PAGE 001 IN 9103070
TOR: 23[redacted] NOV 85 [redacted]

~~SECRET~~ 23[redacted] NOV 85 STAFF

CITE [redacted]

TO: IMM[redacted]

[redacted]

Partially Declassified/Released on 23 June 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

SUBJECT: NSC MISSION

FROM CHARGE

1. AT 2015 HOURS LOCAL TIME, CHARGE MET WITH FOREIGN MINISTER [redacted] AND HANDED OVER NOTE INCORPORTATING LANGUAGE EXPRESSING REGRET [redacted] REACTION [redacted] WAS MIXTURE OF PUZZLEMENT AND INDIGNATION. HE SAID [redacted] TE WAS INACCURATE BECAUSE [redacted] WAS PREPARED TO RESPO[redacted]TIVELY AT THE MOMENT. ALL IT HAD ASKED FOR WAS A [redacted]PORTING THE INFORMATION MR. MCFARLANE HAD GIVEN [redacted]ING THEIR TELEPHONE CONVERSATION NIGHT OF NOVEMBER 22. H[redacted]HE HAD TOLD MR. MCFARLANE HE NEEDED SUCH A NOTE AND [redacted]NE HAD AGREED.

2. [redacted] SAID THE FIRST NOTE [redacted] CONTAIN ALL THE NECESSARY INFORMATION. [redacted]T NEEDED A REITERATION OF THE HUMANITARIAN PURP[redacted] THE FACT THAT IT WAS DESIGNED TO RELEASE AMERICANS BE[redacted]D. [redacted]

3. CHARGE MADE STRONG APPEA[redacted]RECONSIDER NEED FOR A WRITTEN STATEMENT OF PURPOSES AND POINTED OUT BOTH POLITICAL SENSITIVITY AND IMPORTANCE OF SUCH AN OPERATION TO THE PRESIDENT [redacted] SAID HE UNDERSTOOD. [redacted] WANTED TO COOPERATE BUT IT HAD TO PROTECT ITSELF POLITICALLY. [redacted] NEVERTHELESS SAID [redacted] WOULD TAKE ANOTHER LOOK AT SITUATION AND WOULD GET IN TOUCH WITH CHARGE IF ITS POSITION CHANGED. IN ANY EVENT HE SAID [redacted] WOULD RESPOND TO THE NOTE AND TAKE ISSUE WITH THE IMPLICATION OF THE NOTE THAT [redacted] WAS NOT TRYING TO BE HELPFUL.

4. [redacted] THEN SPENT ABOUT FIVE MINUTES EXPRESSING HI[illegible] UNHAPPINESS WITH THE "DISASTROUS" WAY THIS OPERATION WAS HANDLED. HE SAID IF [redacted] HAD KNOWN WHO THEY WERE DEALING WITH, THINGS COULD PROBABLY HAVE BEEN WORKEDOUT. BUT ANONYMOUS PEOPLE CLAIMING TO "REPRESENT THE AMERICAN ADMINISTRATION" HAD RAISED ALL SORTS OF UNNECSSARY QUEST[illegible] PARTICULARLY UPSETTING WAS AN EFFORT BY THESE PEOPLE TO [illegible] HIM AND THE PRIME MINISTER AT THE AIRPORT ON THEIR RETUR[illegible] BRUSSELS. THEY FAILED TO DO SO BECAUSE THE MINISTERS [illegible] FLYING A MILITARY AIRCRAFT. NEVERTHELESS IN THE PROCESS THEY AROUSED BOTH ATTENTION AND SUSPICION. [redacted] CLOSED THE MEETING BY REITERATING THAT [redacted] WOULD TAKE ANOTHER LOOK AT IT. CHARGE THANKED HIM AND REITERATED PROPOSED FLIGHTS PART OF

1302

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7C

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20 APR 1987
CIIN 2163/

~~SECRET~~ UNCLASSIFIED

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C/EUR
ACTION

[redacted]

85[redacted] ASZ [illegible] PAGE 001 IN 9103143
TOR: 22[redacted]NOV 85 [redacted]

[redacted] 23[redacted]NOV 85 STAFF

CITE [redacted]

TO: FL[redacted]

[redacted]

Partially Declassified/Released on 23 June 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

SUBJECT: NSC REQUEST

REF: DIRECTOR 627461

1. ON RECEIPT REFS[redacted]MET FIRST WITH[redacted]AND SUBSEQUENTLY WITH[redacted] IT BEING [redacted]ATURDAY NIGHT, TRACKING THEM DOWN WAS NOT RAPIDLY ACCOMPLISHED[redacted]OFFICIALS TOOK PROVIDED INFORMATION AND NOTED A NU[redacted]INDIVIDUALS WOULD NEED BE CONTACTED IN ORDER SEEK AGREEMENT[redacted]ERFLIGHTS[redacted]

2. AT APPROXIMATELY 2200 LOCAL[redacted]REPORTED MILITARY AND PRIME MINISTER'S OFFICE WERE IN GENE[redacted]ENT BUT DECISION WAS THAT MFA SHOULD BE APPROACHED DIRECTLY.[redacted]

3.[redacted] AT THIS POINT[redacted]DECIDED BRIEF AMBASSADOR DUE NECESSITY DEAL DIRECTLY WITH MFA. AMBASSADOR WAS SUPPORTIVE.

4.[redacted] BRIEFED HIM PER REFS. HE AGREED IN PRINCIPLE TO THE OVERFLIGHT REQUESTS BUT NOTED FOLLOWING WHICH[redacted]WOULD BELIEVE NECESSARY TO THEIR FINAL DECISION:

A. SOME IDEA OF WHAT THE AIRCRAFT WOULD CARRY AS PRESUMABLY THEY WOULD NOT BE EMPTY;

B. OVERFLIGHT OF THREE AIRCRAFT SIMULTANEOUSLY OR CLOSE[illegible]WING WOULD NOT BE ACCEPTABLE. HE SUGGESTED 24 HOUR STAGGERING;[illegible]ED WITH 12 TO 18;

C.[redacted]

5. IN OUTLINING HIS CONCERNS[redacted]NOTED[redacted]AS A[illegible]AN[illegible] WISHED ACCEDE TO THE REQUEST BVUT FELT THEY ENTITLED TO MO[illegible] THAN SO FAR PROVIDED.[redacted] THEY NEEDED IN ADDITION TO SOME MORE[illegible] FOR TH[illegible] OWN USE, ALSO A COVER STORY SHOULD FLIGHTS CALL ADVERSE[illegible]TION.

6.[redacted]COMMENT: IT IS CLEAR FROM CONVERSATIONS WITH[illegible]OFFICIALS [redacted] IS WILLING TO AGREE TO THE NSC PROPOSAL PROVIDED WE ARE A LITTLE MORE FORTHCOMING ABOUT WHAT IS INVOLVED. THEY BELIEVE THEY ARE ENTITLED TO SUCH CON[illegible]ATION.

//

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20 APR 1987

UNCLASSIFIED
SECRET

21412

C11N 216

10-151

See Hearing Exhibit DRC 1-37

10-151

See Hearing Exhibit DRC 1-38

10-153

See Hearing Exhibit DRC 1-41

Chapter 0, Footnotes 26 28. 73, 147
154 156, 161, 163

36522 - 36529

30 Nov 8

MEMORANDUM 301185

UNCLASSIFIED

Re.: Mission TLV/THR

10-154+156

1. CHRONOLOGICAL REPORT

PHASE I - Contact and Contract

Friday afternoon 22 Nov first info to me [redacted]
that I would be contacted concerning an urgent flight and
that it was in our interest to perform those upcoming flts.
At about 20 00 Local time I was contacted by a certain Mr.Richard
Copp [redacted]
He asked me whether I had already been informed about a mission,
which I denied. He then explained to me that there had to
be 3 flights done as quickly as possible " Government to Government"
from Tel Aviv [redacted] After a short discussion we agreed that
we could do it with [illegible] aircraft consecutively for a flat fee
of 60 000.00 USD plus [illegible]el, landg,handlg had to be paid by him.
Further it was agre[illegible] second Boeing would be made available
on request should t[illegible]tter get urgent.
During my subsequen[illegible]e conversation to our [redacted] I referred
to my MEMO 211185 p[illegible] and questioned the way it was displayed
to me and supposed [illegible] this cargo was the same as in my memo
indicated. This was [illegible]d.

PHASE II - Positioning

Our Boeing [redacted] had just arrived [redacted] aircraft was taken over by [redacted] and [redacted] departed [redacted] Capt [redacted] had the order that upon the receipt of the code "Celia" he would find an excuse for the customer and depart [illegible] Aviv, filing officially for [redacted] Traffic rights for [illegible]ht [redacted] were tentatively applied for by [redacted] should this become necessary.

Our second Boeing was parked in [redacted] and [illegible] not [illegible]rt before the airport opened the next morning [redacted] At the time I had made the agreement w[illegible] about 0100 GM[illegible] The crew [redacted] which was supposed to [illegible] [redacted] the next day [redacted] was therefore alerted concerning the early departure of this aircraft to Tel Aviv. After the airport had opened the fuel company was available for fuelling this aircraft [redacted] At about this time I was informed by Copp that pallets had to be taken along. [redacted] Our own pallets were stored in the

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hangar. [redacted] Due to the shortage of time we decided to let the aircraft fly [redacted] to pick up the pallets instead of transporting them [redacted] via ground transport. [redacted] The pallets had been put on a forklift in the meantime and our mechanic was waiting for the aircraft to arrive. After the aircraft had arrived the pallets were loaded and the aircraft continued to fly to Tel Aviv after having refuelled a little because of the extra flying tim[redacted]

In the meantime Capt. [redacted] together with [redacted] and an copil additional loadmaster [redacted] had arrived from Paris via train and were also on board w[redacted] the aircraft departed finally at about [redacted] It arrived [redacted]V [redacted] (23 Nov)

Due to this departur[redacted]ay, Copp had requested from me to also put the second airc[redacted]nto this operation due to the utmost urgency of the miss[redacted] Therefore the code w[redacted] IT WAS transmitted [redacted] and after unloadin[redacted] fuelled and departed to TL[redacted] The overflight rights had been granted in the mean[redacted] landed a[redacted] on the 23 Nov in TL[redacted]

PHASE III - Loading

Although Richard Copp, [redacted] had said to me that the loading was planned to take 3 hours but would be speeded up to 2 hours, [redacted] the 707 which had first arrived, had [illegible]loaded one piece out of 19 pieces in 4 hours. Therefor[illegible] time all concerned parties were concerned that the [illegible]uld take as long as possibly 24 hours. Therefore and [illegible] obviously traffic rights had not been grante[redacted] I was told that now the load had to be transported [illegible]ly [illegible]R. This confirmed my initial suspicions and it w[illegible]viou[illegible]e that several things had to be changed.(Copp [illegible] hours before that the traffic right[redacted] issued and t[redacted] was inf[illegible] my crew told me that in TLV everyone kne[illegible] they ha[illegible]ready been turned down and that the real dest wa[illegible])

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I was given the contact of Mr.A.Schwimmer in TLV by Mr.Copp and I talked to Schwimmer several times on the phone. the 707

I told him that we could not fly to THR with an American registered aircraft and that we therefore had to unload [redacted] again [redacted] [redacted] He tried several times to convince me and even offered to paint a different registration on the aircraft and do some kind of formation flying into THR. Keeping in mind that all phone conversations to Israel might be listened to, I told him that we were a normal Airline [redacted] wanted to stay in business [redacted] time to come and that the only way to do it was the correct way for us to do it. Therefore [redacted] was unloaded again. the 707

In addition to that I explained to him that we needed traffic rights to overfly [redacted] which we had applied for tentatively the moment the real dest. had come out, but only for [redacted]

And also we estimated that it would take time to get those rights.

In addition I had conferred with [redacted] and was told that those traffic rights would be supported diplomatically and that we could count on them.

the captain

I was in touch with [redacted] all the time and verified all [illegible] them. In fact [redacted] was in Schwimmers home and we negoti[redacted] there that we needed 30 000 USD in order to go to the [redacted] destination because we had not planned on it and therefor [redacted] not enough cash with us. Also we did not trust them that [redacted] verything was paid in THR. Schwimmer came up with 8000 USD a [redacted] lenghty discussions because it was Sunday in the meantime a [redacted] could not get more money.

PHASE IV - Flights [redacted] performed

the 707

According to the new agreement between Schwimmer and me [redacted] had been unloaded again and departed [redacted] [redacted] on Sunday the 24 Nov.

the 707 Captain

[redacted] did this flight and took all extra crew back except for the second loadmaster because it had become obvious to us that the TLV/THR route could be flown by one crew due to the lenghty loading and expected unloadg proc [redacted] In the meantime Schwimmer confirmed that [redacted] rights for overflight [redacted] had been confirmed [redacted] we could go with [redacted] as soon as it was unloaded.

However, the last [illegible] they decided [redacted] our agreement that the aircraft should land [redacted] oing on to THR. This required additional funds by us [redacted] had to be defuelled in TLV because it would have [redacted] for landing [redacted] and had to refuel. this miss [redacted] [illegible] more money but [redacted] after long discussions Schwimmer [illegible] supplied another 2000 [redacted] which gave [redacted] the co about [illegible] together with the cash he had in his ships funds.

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the captain

Finally we gave the green light for [redacted] to take off and he left TLV with [redacted] on the 24 Nov.
Since arrival it had taken him exactly 24 hours for loading and clearing all the problems.

the captain

After arrival [redacted] [redacted] had new problems as the customer and especially the military in TLV had not only not given him any documents for the load but also had taken out every evidence which might have proved that the aircraft was in TLV.
Customs [redacted] therefore did not want to release the aircraft unless documents were produced and therefore the load also had to be inspected. Finally [redacted] wrote a cargo manifest [illegible], which was accepted although it had no stamp of the departure point and finally he could talk his way out of this situation. Finally he therefore left at [redacted] direction [redacted] as planned.

The capt

However, nothing was prepared for overflight [redacted] and he had again to talk his way through. Since they repeatedly insisted on a diplomatic clearance number, he made one up which was not accepted after long negotiations and then he filibustered one hour and 30 min his way [redacted], using different altitudes, positions and estimates that he told [redacted] [redacted] with whom [redacted] obviously in radio contact [redacted]
However, radar real[redacted]his off- positions which gave additional reas for arguments and [redacted]lays.
At the THR border [redacted] received without any problems but he did not have to say the [redacted]d code "I am coming for Mustafa" because Radar treat[redacted] very normally.
Finally he landed [redacted] on the 25 Nov(monday)

PHASE V - Unloading [redacted]

After landing in THR the aircraft had to remain on the runway for about 10 min until a "follow me" came and directed them to the parking area which was on the military side.
The landing had been done on runway 29 r and the aircraft was directed to the south of this runway onto the the north/west part of the southern military apron. [redacted]
[redacted] It is a special area which is su[illegible]d by a high fence to the outside so that people outside the [illegible] cannot see the aircraft.

the captain

[redacted] was first contacted by an office[illegible] who directed the unloading later and who told him th[illegible] [illegible]t know about this flight and were surprised that it [illegible] 30 min after arrival a civilian with a [illegible] on his back arrived at the aircraft and asked [illegible] first: "What are the nationalities of the crew [illegible]rgo. where do you come from ?"
Then he talked to [redacted] telling him that he should not

The captain

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tell anyone including the military where the aircraft really came from. He then mentioned that they were expecting 4 more flights from TLV. He would like to see the same crew then due to security. When [redacted] the Captain was asking for money or arrangements of fuel, parking etc. he told him [illegible] to worry and [illegible]ing would be taken care of.

2 Supervisor then started to direct the unloading, one military and [illegible] civilian with submachine gun. [illegible]

[illegible] was sent to the officers [illegible] where they were [illegible]again by the civilian to keep their mouth shut about this and not talk to anyone about their mission.

Capt [redacted] then told him that our crew did not want to pass through passport and customs control [redacted] as they expected [illegible] then [illegible] again.

Therefore the civilian took them in a car through back [illegible] off the airport and was not checked or stopped at the gate although even military had to present their id - cards at that gate.

The trip to the Hotel took one hour and finally they arrived at the former Sher[illegible]Hotel. (Different name now, could not remember)

All rooms were occu[illegible]and therefore they had to take a suite together. After be[illegible] the hotel for about 2 hours to the surprise of the cre[illegible]y got a phone call that the aircraft was unloaded and that [illegible]ould be picked up in a few minutes. This was 6 hours a[illegible]he aircraft had landed. [redacted] the capt had remained at the ai[illegible] for some time to see that the unloading really took place a[illegible]t it was done [illegible]ly. Then the time in the office[illegible]s and the trip to the Hotel had taken some time.)

However, after this alert it took 2 hours until the car finally arrived. In the meantime the civilian had apologized several times and the crew was offered coffee and cakes.

After arrival at the airport through the "backdoor" [redacted] the capt required a permit number for overflight [redacted] in order to avoid the problem he had coming in. He refused to leave without. Therefore he and the civilian went to the Tower from where they tried to [redacted] obtain this number. After about 2 hours of trying [redacted] told them that the [illegible] was ok but they could not get a number. Also [illegible] told that the Air Defense of Iran was informed and that [illegible] leave now which he finally accepted.

When the crew was taken over to the air[illegible]alized that the aircraft had been towed to the civi[illegible] the meantime and that it was being fuelled by civi[illegible]

When [redacted] the captain asked for full tanks (or[illegible]im because after all those problems which I was [illegible] the had called [redacted] via Telefone from the [illegible] possibil[illegible] to take the aircraft directly back [redacted] if necessary) the civilian who had received him was very disappointed because he realized that so much fuel was not needed to go back to TLV. However [redacted] told him that he needed the extra for security.

the captain

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Date 20 Apr 87

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PHASE VI - Return flight

The aircraft took of at [redacted] on the 25 Nov. after 14:35 hours on the ground in THR.
The aircraft was directed by radar off the airways a little more to the north than normally, close to the Russian border.
A[redacted] was given a special exit time which he had to meet [illegible] to comply with the Iranian Air Defense.
Approaching Tabriz the aircraft was ordered down from FL 350 to FL 280, shortly before reaching [redacted] border again up to FL 350. (reason unknown).
No transponder was used in the Iranian airspace. the Captain
After arrival [redacted] [redacted] was told by radar that this time he was accepted but that in future for further flights, the ok of the civilair was not enough but that he had to get also the ok of the Ministry of foreign affairs and that otherwise the aircraft would be turned back.
Based on all this information, I ordered [redacted] the Captain via radio to proceed directly [redacted] which we had planned initially.
The aircraft arrived [redacted] 26 Nov.

[redacted]

GENERAL CONCLUSIONS

The mission was poorly planned and directed by our contract partners in a amateurish way.

1. [redacted] market for about a week with [redacted] to THR.

2. Copp was sitting in [redacted] although [redacted] was [illegible] not flown to and he as our contract partner could not [illegible] what was going on in TLV.

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3. In TLV the aircraft was on the militar[illegible] loaded by high ranking military personnel who w[illegible]omed to this type of work. (The lowest ranking [illegible]cer [illegible] Lieutenant) In addition they did not work much a[illegible] many coffe brakes.

26220

4. A certain Mr.A.Schwimmer which was introduced to me by Copp as the representative in TLV of Copp, was very pushy with the military, sometimes to a point where he was insulting, but he did not understand the special aviation problems and did not have things under control. I.E. He sriously proposed to the Captain [redacted] to change the registration of the

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the captain

[redacted] aircraft and to forge the respective papers " in 2 hours". This was turned down by [redacted] and also by myself when Schwimmer mentioned it on the phone due to the before mentioned reasons.

Also the cash money which Copp had promised was not available and Schwimmer apparently did not know about this requirement.

5. [illegible] routing changes, destination changes, involved traffic [illegible]ghts were done too late and the crew grew more and more [illegible]secure as they are not used to this type of makeshift Airline direction and control.

6. The mission was still performed successfully because of the initiative the crew had displayed and because they are used also under adverse circumstances to complete the mission before problems will be discussed. However, this is not the way it can be done repeatedly because the good will will be worn out.

PROPOSAL

As Aviation is a ve[illegible]plex business which requires a lot of experience from all [illegible]rned and also because the feed back information is so v[illegible] for the operation, the directly involved employees have to b[illegible] of the decision making and planning as early as during the contracting stage.
Had it not been a special flight, I would have delayed for about 2 days after I had learned about the change of Destination in order to have enough time for correct planning and the aquisition of the necessary traffic rights.
The little radar controlle does not know political decisions and will not even be informed by his superiors. We experienced that time and again. Therefore all these things have to be presented in a normal way so that the controller simply has a dip[illegible] clearance number like he has for every other aircraf[illegible] this flight will look totally normal for him.
In other words: Those flights can be perf[illegible]ut any problem by only with the proper planning.
In order to have proper planning, the m[illegible] of [illegible]irline, who happens to be myself, should be heard b[illegible] con[illegible]ng or making commitments to third parties an[illegible] of the planning process.

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[illegible]erefore suggest that during the preparation process I should [illegible]ized to the meeting of the departments which are involved in [illegible]decision making.

[redacted]

I [illegible]e that there is the aspect of security and that the [illegible]s have to be done in a clandestine way. However, it cannot [illegible]orse than it was during this last mission and it could [illegible] been performed totally clandestine, had the above proposed meeting taken place in advance.
In aaddition to that, my presence during those meetings could provide the concerned officers who represent the differene departments with useful feedback information so that for future planning some things can be ruled out right away without even going into detail whereas others can be accepted right away without checking details.

In addition to that [illegible]ingle missions or tasks to be performed should be part of a[illegible]tegy which I am sure exists, but which I am not aware of i[illegible]il. Knowing the all-over strategy it would be easier to [illegible]ertain missions and it would even be easier to plan the [illegible]udget which defines whether new airplanes have to be [illegible]hased/leased or others have to be sold.

In short: I would a[illegible]ate if I could be given more responsibility by being more part [illegible] team as far as the planning of the avaition aspects ar[illegible]erned. I think it is a waste of experience and information whe[illegible]s not made part of the planning process. I also like to make sure that I am not on a "ego trip", but that I have the success of our company in mind which last not least is also the success of this country.

[redacted]

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10-157

See Hearing Exhibit DRC 1-48

10-158

See Hearing Exhibit DRC 1-49

Chapter 10, Footnote 166

PAID TO ________ 6567

RECEIVED FROM B/O LAKE RESOURCES

DATE 29. NOV. 85

10-166

PURPOSE TH[illegible]LIGHT 23-25 NOV. 85

ACCOUNT TITLE	ACCOUNT NUMBER	DEBIT	CREDIT
Chase Bank $.	$ 10110 ✓	126.809,50 ✓	
Bank Charges	$ 70790 ✓	190,50 ✓	
Charter Revenue Freight 707	$ 30301 ✓		127.000,- ✓

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C11N 2561

REVIEWED FOR RELEASE
Date 20 Apr 87
HSC/SSC

CHECK #	AMOUNT	PREPARED BY		VOUCHER #

CHASE US$

PAID TO C 6573

RECEIVED FROM LAKE RESOURCES

DATE 3 DEC 85

PURPOSE THR - FLIGHT

C I A

ACCOUNT TITLE	ACCOUNT NUMBER	DEBIT	CREDIT
Chase Bank $	$ 10110	700.-	
Charter Revenue Freight	$ 3030 (G-3)		700.-

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DO 25567

RECEIVED FOR [illegible]

D 20 Apr 87 VOUCHER

HSC/SSC

CIIN 2567

CHECK # AMOUNT PREPARED BY

H-7/

10-174-177

CLASSIFIED AT TIME OF PUBLICATION.

10-176

CLASSIFIED AT TIME OF PUBLICATION.

UNCLASSIFIED Chapter :188

10-188

Finding Pursuant to Section 662 of the Foreign Assistance Act of 1961, As Amended, Concerning Operations Undertaken by the Central Intelligence Agency in Foreign Countries, Other Than Those Intended Solely for the Purpose of Intelligence Collection

0401

I have been briefed on the efforts being made by private parties to obtain the release of Americans held hostage in the Middle East, and hereby find that the following operations in foreign countries (including all support necessary to such operations) are important to the national security of the United States. Because of the extreme sensitivity of these operations, in the exercise of the President's constitutional authorities, I direct the Director of Central Intelligence not to brief the Congress of the United States, as provided for in Section 501 of the National Security Act of 1947, as amended, until such time as I may direct otherwise.

SCOPE	DESCRIPTION
Hostage Rescue - Middle East	The provision of assistance by the Central Intelligence Agency to private parties in their attempt to obtain the release of Americans held hostage in the Middle East. Such assistance is to include the provision of transportation, communications, and other necessary support. As part of these efforts certain foreign materiel and munitions may be provided to the Government of Iran which is taking steps to facilitate the release of the American hostages. All prior actions taken by U.S. Government officials in furtherance of this effort are hereby ratified.

The White House
Washington, D.C.

7 May 1987

Date:

[redacted]

ER [illegible]
CY____ OF ____ CYS

CIIN #103

10-190

See Hearing Exhibit OLN-69A

10-205

See Hearing Exhibit JMP-17

CHAPTER 11. CLEARING HURDLES: THE PRESIDENT APPROVES A NEW PLAN

11-1

See Hearing Exhibit OLN-69A

11-5

See Hearing Exhibit OLN-69A

11-7

See Hearing Exhibit OLN-69A

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Chapter 11 Footnote 27
C 5777

[redacted]

C/EUR
ACTION

11-27

85 [redacted] ASO
CORRE[redacted] COPY

PAGE 001
TOR: 25[redacted] NOV 85 IN 9111281A [redacted]

S E C[redacted] 25[redacted] NOV 85 STAFF

CITE [redacted]

TO: IM[redacted]DIRECTOR.

[redacted]

SUBJECT: NSC REQUEST

REF: DIRECTOR 627576

[redacted]

3. [redacted] AIRPORT [redacted] IS PREPARED TO ARRANGE USE OF [redacted]

4. UNLESS THERE IS SOME CONSIDERATION ON YOUR END OF WHICH WE UNAWARE, [redacted] SEEMS THE WAY TO GO. IF YOU CONCUR, [redacted] NEEDS MORE DETAILS THAN REF CONTAINS: IDENTIFICATION OF EACH AIRCRAFT; NUMBERS OF PERSONS ABOARD; HOW CARGO IS MANIFESTED; ETAS; ANTIICPATED TIME ON GROUND NEEDS; ETAS FOR RETURN LEGS; WHETHER ANY RON EXPECTED [redacted] NAMES OF PILOTS FOR CLEAR IDENTIFICATION PURPOSES, ETC.

[redacted]

6. AWAIT YOUR FURTHER INSTRUCTIONS.

CIIN 2182/84

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

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Partially Declassified/Released on 4/2/87
under provisions of E.O. 12356
by B. Reger, National Security Council

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Chapter 11 Footnote 27 87

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[redacted]

85 9114886 ASO

PAGE 001

TOR: 25[redacted]NOV 85

IN 5114886 [redacted]

SECRET 25[redacted]NOV 85 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

WNINTEL

FROM AMB [redacted] FOR THE [redacted]EYES ONLY

1. [redacted] LIKE TO TALK ON THE TELEPHONE WITH THE DIRECTOR EITHER TONIGHT OR [redacted] MORNING CONCERNING [redacted] MEETING TODAY WITH FOREIGN MINISTRY. U[redacted]NATELY SECURE LINE IS DOWN AND CALL WILL HAVE TO BE MADE ON OPEN LI[redacted] AMBASSADOR WILL BE IN HIS RESIDENCE ALL EVENING, [redacted] CALL CAN BE PLACED AT ANY TIME. [redacted]

2. [redacted] COMMENT; [redacted] ADVI[redacted] THAT HE HAD BRIEFED [redacted] ABOUT THE NSC OPERATION [redacted]E BEEN WORKING ON DURING THE PAST TWO DAYS. APPARENTLY [redacted] WOULD LIKE TO HEAR FROM YOU PERSONALLY WHETHER THE OPERATIO[redacted]N NSC/MCFARLANE OPERATION, AN AGENCY OPERATION, OR WHAT AND WHETHER [redacted]LIEVE IT WISE TO TRY AGAIN TO GET IT GOING AGAIN FROM [redacted]. REGARDS. DECL OADR DRV HUM 4-82

END OF MESSAGE

SECRET

Declassified/Released on 1/22/88
under provisions of E.O. 12356
by B. Reger, National Security Council

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Date 20 APR 1987
HSC, SSC.

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C/EUR
OUTGOING

[redacted]

85 115633 ASZ PAGE 001
TOT: 25[redacted] NOV 85 DIRECTOR 628752

S E C R E T
STAFF 25[redacted] DIRECTOR 628752
TO: FLASH [redacted]
[redacted]

SUBJECT: NSC MISSION

REF: [redacted]

1. THE FOLLOWING IS FROM THE ACTING DCI AS THE DCI IS NOT IN COUNTRY:

DEAR MR. AMBASSADOR:

I CAN ASSURE YOU THAT THE[redacted]ATION ABOUT WHICH YOU HAVE BEEN BRIEFED BY YOUR [redacted] WAS IN[redacted] BY THE NATIONAL SECURITY COUNCIL. I DO NOT BELIEVE [redacted] WOULD BE WISE TO ATTEMPT TO REACTIVATE IT IN [redacted] AN ASSURE YOU THAT ALL HERE APPRECIATE THE EFFORTS THAT [redacted] STAFF MADE TO BRING [redacted] ON BOARD. WITH MY VER[redacted] REGARDS.

2. NO FILE. DECL OADR DRV HU[redacted]. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: ADDO[redacted] A/DCI. CL BY [redacted]

END OF MESSAGE

Par[illegible] Decl[illegible] Released [illegible] 1/24/88
under [illegible]
[illegible]

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REVIEWED FOR RELEASE
Date 12 APR 1987
HSC & SSC

A 7C

DO 21442

CIIN 2194/A

UNCLASSIFIED

SECRET
UNCLASSIFIED C 5790

85

C/EUR
OUTGOING

[redacted]

85 0116908 ASO PAGE 001
TOT: 25[redacted]NOV 85 DIRECTOR 628959

S E C R E T
STAFF 25[redacted]DIRECTOR 628959
TO: IMMEDIATE [redacted]
[redacted]

who for?
DAC? [illegible]
[redacted]
file

SUBJECT: NSC MISSION

1. NOW THAT I HAVE A MOMENT'S RESPITE FROM SENDING AND RECEIVING FLASH TRAFFIC, LET ME EXPLAIN SOME OF THE FACTORS INVOLVED IN THIS OPERATION WHICH MAY HELP YOU UNDERSTAND THE RATHER BIZARRE MANNER IN WHICH IT IS BEING CONDUCTED. WE ARE ONLY THE BROKERS IN THIS MATTER AND DO NOT HAVE DIRECT RAPID COMMUNICATIONS WITH THOSE RESPONSIBLE FOR ORIGINATING THE FLIGHTS OR THE FLIGHT CREWS. THIS IS BASICALLY A COMMERCIAL TRANSACTION AND INVOLVES AIR CHARTER [redacted]IES OVER WHICH WE HAVE NO DIRECT CONTROL. MOREOVER, THE[redacted]E NO AGENCY PERSONNEL ON THE GROUND IN CONTACT [redacted] INDIVIDUALS ORIGINATING THE FLIGHTS; I.E., [redacted] IS NOT INVOLVED NOR, AS I MENTIONED BEFORE, ARE [redacted] THE ORIGINATORS, THEREFORE, ARE NOT PROF[redacted]LS IN OUR LINE OF WORK AND COPING WITH THEIR WAYS OF DO[redacted]SINESS AND MESHING THEM WITH OURS IS MUCH OF OUR PROBLE[redacted]TER TODAY THERE WILL BE AN INDIVIDUAL ARRIVING IN TEL AVI[redacted]T LEAST HAS A MODICUM OF UNDERSTANDING HOW THIS WHO[redacted]NG SHOULD WORK AND BY TOMORROW MORNING, THERE WILL BE A[redacted] INDIVIDUAL THERE [redacted]
[redacted]

?

2. ONE OF THE KEY ELEMENTS FO[redacted]IS THE REQUIREMENT THAT THEY HAVE AT LEAST A GOOD APPROXIMATION WHEN THE AIRCRAFT IS GOING TO ENTER THEIR AIRSPACE EASTBOUND. THE FLIGHT PLAN FILED BY THE AIRCRAFT SHOULD PROVIDE THIS BUT THERE IS A CHANCE IT WILL NOT REACH [redacted] IN TIME. IF THIS WERE A NORMAL COMMERCIAL FLIGHT, IT PROBABLY WOULDN'T MAKE MUCH DIFFERENCE TO THEM BUT UNDER THE CIRCUMSTANCES IT DOES. THEREFORE, I THINK THAT ONE OF THE MOST USEFUL THINGS YOUR OFFICER AT [redacted] CAN DO IS TO PHONE THIS DATA TO YOU WHEN IT IS AVAILABLE AND YOU CAN PROVIDE IT TO [redacted] BY FLASH PRECEDENCE. THIS SHOULD RELIEVE SOME OF THE IRRITATION ON [redacted] END.

3. THERE WILL PROBABLY BE TWO CHARTER COMPANIES INVOV[illegible] IN THIS AIRLIFT. BESIDES [redacted] [illegible] [redacted] WILL ALSO PROBABLY BE INVOLVED. THE LATTER MAY BE [illegible] [redacted] PROPRIETORY, BUT I AM NOT SURE. HOPE THE AB[illegible] HELPS YOU UNDERSTAND WHAT WE ARE WORKING WITH. DON'T HESI[illegible] TO ASK ANY OTHER QUESTIONS THAT MAY ASSIST YOU. FINAL TH[illegible] THE MATERIAL BEING TRANSPORTED IS SPARES FOR THE OIL INDU[illegible] AND I AM ATTEMPTING TO ENSURE THAT IT IS MANIFESTED AS S[illegible] RATHER THAN UNDER THE RUBRIC OF "MACHINERY" OR "MEDICAL [illegible] STORES." BY DOING SO, WE SEEM TO KEEP GOVERNMENTS FEEL[illegible]ARM AND FUZZY.

A

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4. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: C/EUR (CLARRIDGE). CL BY DO

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CIIN 2194 REVIEWED FOR RELEASE
Date 20 APR 1987
HSC - 15?

UNCLASSIFIED

[illegible]/Released on [illegible] under provisions of E.O. 12356 [illegible] National Security Council

SECRET
UNCLASSIFIED C 5791 90

C/EUR
INCOMING

[redacted]

85 9122899 ASO PAGE 001 IN 9122899
TOR: 26 [redacted] NOV 85 [redacted]

SECRET 26 [redacted] NOV 85 STAFF

CITE [redacted]

1/22/88

TO: IMMEDIATE DIRECTOR.

[redacted]

SUBJECT: ~~NSC~~ MISSION

REF: DIRECTOR 628959

1. APPRECIATE REF, WHICH IS JUST ABOUT WHAT I HAD CONCLUDED. T ALSO SUGGESTS THAT THE SIMPLER WE KEEP THING, THE BETTER.

[redacted]

3. [redacted] DESTINATION AIRCRAFT SHOULD FILE FOR ON LEAVING TEL AVIV, BUT OUR GUESS IS IT WILL BE THE TRUE ONE, RATHER THAN GET INTO A CHANGE OF ITINERARY ON ENTERING [redacted] AIR SPACE. (WERE IT A SINGLE FLIGHT, THE SWITCH WOULD ATTRACT LITTLE OR NO ATTENTION. FOUR AIRCRAFT, POSSIBLY BELONGING TO MORE THAN ONE COMPANY, ALL FILING CHANGES OF ITINERARY AND REDIRECTING IN MID-AIR TO A MILITARY AIRFIELD IS BOUND TO ATTRACT UNWELCOME NOTICE. FILING FOR THE TRUE DESTINATION ALSO SEEMS TO REDUCE THE PROSP FOR PILOT ERROR, GIVEN THE "UNWITTING" AND APPARANTLY AMATEUR ASPECTS OF ALL THIS.)

4356

4. ADVISE BY FLASH RETURN IF ABOVE CHANGE DOES NOT RPT MEET WITH YOUR APPROVAL. OTHERWISE, WILL ADVISE YOU FURTHER

[redacted]

5. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

A

END OF MESSAGE SECRET

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

DO 21444

C/IN 2196/A

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SECRET UNCLASSIFIED

C57412 91

C/EUR
INCOMING

[redacted]

85 126499 ASO PAGE 001 IN 9126499
TOR: 26 [redacted] NOV 85 [redacted]

S E C R E T 26 [redacted] NOV 85 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

REF: [redacted]

3. [redacted] IF PILOT GETS AN EARLY START, HE CAN MAKE FULL ROUND-TRIP IN ONE DAY, ASSUMING NO DELAY IN OFF-LOADING HIS CARGO AT TABRIZ. THIS IS OBVIOUSLY HIGHLY DESIRABLE FROM OUR POINT OF VIEW.

4. SOME ADDITIONAL INFO THAT WOULD BE USEFUL:

A. HOW FAR APART WILL FLIGHTS BE SPACED?
B. HOW WILL PILOT PAY FOR REFUELING?
C. WHAT IS PILOT/CREW NATIONALITY? WHAT DOCUMENT WILL THEY BE TRAVELLING ON?
D. AIRCRAFT CALL SIGN NEEDED IN ADDITION TO REGISTRATION AND OWNERSHIP DATA.

5. SORRY TO BE STRETCHING THIS OUT THIS WAY. [redacted] OBVIOUSLY WISH TO HELP AND ARE STRUGGLING WITH HOW BEST DO SO WITH MINIMUM RISK OF ADVERSE ATTENTION. SINCE T[illegible] SEEMS EQUALLY IN OUR INTERESTS, HOPE TIME CONSTRAINTS YOUR END WILL BEAR A LITTLE MORE DELAY.

6. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

Par[illegible] Declassified / Released on 4/21/88
under provisions of E.O. 123[illegible]
[illegible] B. Reger, National Secu[illegible]

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21445

C11N [redacted]
2197/A

REVIEWED FOR RELEASE
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SECRET UNCLASSIFIED

UNCLASSIFIED C 5795 92

C/EUR
INCOMING

[redacted]

85 9124350 ASO PAGE 001 IN 9124350
TOR: 26[redacted]NOV 85 [redacted]

S E C R E T 26[redacted]NOV 85 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

[redacted]

SUBJECT: NSC PROPOSAL

REF: DIRECTOR 628366

1. THIS IS AN INTERIM RESPONSE TO REF[redacted]HAS PROMISED ADDITIONAL DETAILS SOONEST. WILL FORWARD WHEN RECEIVED.

2. [redacted]

3. NO FILE. DECL OADR DRV HUM 4-82[redacted] SECRET.

END OF MESSAGE SEC[redacted]

Declassified/Released on 4/22/88
under provisions of E.O. 12356
by [illegible] National Sec[illegible]

4358

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC&SSC

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C11N 2198/A

DO 21446

UNCLASSIFIED C 5794 73

C/EUR
INCOMING

[redacted]

85 9122501 ASO PAGE 001 IN 9122501
TOR: 26[redacted]NOV 85 [redacted]

SECRET 26[redacted]NOV 85 STAFF

1/22/88

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

[redacted]

SUBJECT: –DCM-MEETING WITH FOREIGN MINISTRY

FROM DCM

1. DCM [redacted] CALLED TO FOREIGN MINISTRY NOVEMBER 25 AND GIVEN TWO NOTES [redacted] TRANSLATIONS PROVIDED IN PARAS 8 AND 9. NOTE ACTION REQUESTED PARA 7.

2. [redacted] SAID ESSENTIAL POINT WAS THAT THE PROPOSED OPERATION WAS SO DIRECTLY IN CONFLICT WITH [redacted] U.S. POLICY AND [redacted] POLICY THAT THE GOVERNMENT NEEDED THE WRITTEN ASSURANCES THAT THE OPERATION WAS FOR HUMANITARIAN REASONS AND WAS DESIGNED TO GAIN THE RELEASE OF AMERICAN CITIZENS. HE SAID HE WANTED TO EMPASIZE THAT WITH THESE ASSURANCES [redacted] HAD BEEN PREPARED TO APPROVE THE OPERATION. IT REMAINED PREPARED TO DO [redacted]

3. THE DCM SAID THAT WHILE THE DES[redacted]FOR WRITTEN ASSURANCES WAS UNDERSTANDABLE,[redacted]SHOULD UNDERSTAND THAT THE ACTIONS OF [redacted] ON N[redacted]ER 22 AND 23I GAVE THE IMPRESSION TO SOME THAT [redacted] WAS S[redacted]NG, ESPECIALLY SINCE MR. MCFARLANE HAD THE DISTINCT IMPRESS[redacted]THAT THE FOREIGN MINISTER HAD GIVEN HIM A GREEN LIGHT ON THE NIGHT OF THE 22ND. THE SUBSEQUENT INSISTENCE ON A NOTE HAD BEEN DISQUIETING. THE DEMAND FOR A SECOND NOTE CONVINCED THOSE MANAGING THE OPERATION THAT [redacted] DUCTED FOR THE HUMANITARIAN PURPOSE OF ASSISTING AMERICAN CITIZENS IN TROUBLE. [redacted] SAID HE COULD NOT MAKE A JUDGEMENT. MOREOVER, THE FOREIGN MINISTER WAS IN BRUSSELS.

5. DCM THEN NOTED THAT AMBASSADOR [redacted] WAS SCHEDULED TO CALL ON THE PRIME MINISTER AFTERNOON OF NOVEMBER 26. [redacted] SAID THAT IF U.S. STILL INTERESTED, THE MEETING WITH THE PRIME MINISTER WOULD PROVIDE EXCELLENT OPPORTUNITY TO GET PM'S AGREE[illegible]

6. AMBASSADOR'S CALL IS SET FOR 4:30PM LOCAL TIME. IF NS[illegible] NOT FOUND ALTERNATIVE MEANS AND IF THERE IS STILL INTEREST I[illegible] [redacted] COOPERATION, WE BELIEVE MEETING OFFERS EXCELLENT OPPO[illegible] TO GET IT.

4359

7. PLEASE ADVISE US AT OPENING OF BUSINESS NOV 26 IF T[illegible]S AN INTEREST IN REVIVING [redacted] COOPERATION AND IF SO ON [illegible]

8. NOTE 4952: "THE MINISTRY OF FOREIGN AFFAIRS PRESE[illegible] COMPLIMENTS TO THE EMBASSY OF THE UNITED STATES OF AMER[illegible]D IN REFERENCE TO THE EMBASSY'S NOTES [redacted] OF NOVEMBE[illegible]AND TO OTHER COMMUNICATIONS IN OTHER CHANNELS ON THE SAME SUBJECT, CANNOT HELP BUT BE AMAZED BY THE MANNER IN WHICH THE MATTER WAS CONDUCTED BY NORTH AMERICAN AUTHORITIES.

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Date 28 APR 1987
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--------------------------------------------------------------------------
85 9122501 ASO                   PAGE 003                 IN 9122501
                           TOR: 26[redacted]NOV 85        [redacted]
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AT 7:00 PM, THE CHARGE OF THE USA WAS RECEIVED BY [redacted] [redacted] THE FOREIGN MINISTRY WHO WAS SUPPOSED TO RECEIVE

FROM DCM
THE AGREED NOTE.

"TOTALLY CONTRARY TO WHAT WAS ANTICIPATED, AND TO THE GREAT SURPRISE OF THE MINISTER OF FOREIGN AFFAIRS, WHO IMMEDIATELY RECEIVED THE CHARGE, A NOTE, TOTALLY DIFFERENT FROM WHAT WAS EXPECTED EXPRESSING "REGRET THAT THE GOVERNMENT [redacted] WAS UNABLE TO FUFILL THE REQUEST F THE GOVERNMENT OF THE UNITED STATES FOR THE HUMANITARIAN MISSION REFERRED TO IN EMBASSY NOTE NO [redacted] WAS PRESENTED RIGHT IN THE MIDDLE OF FULL SCALE EFFORTS DESIGNED TO PROVIDE THE ALREADY REFERRED TO "PROMPT AND URGENT" SOLUTION.

"IN THIS REGARD IT IS NECESSARY TO RECALL AND TO EMPHASIZE CLEARLY AND SURELY THAT IT HAD BEEN CLEARLY AGREED THAT A PROMPT AND URGENT RESPONSE WOULD BE GIVEN ON THE BASIS OF AN EMBASSY NOTE MENTIONING THE REAONS FOR THE MISSION. SUCH A NOTE WAS NOT PROVIDED AS EXPECTED.

"THE MINISTRY OF FOREIGN AFFAIRS TAKES THE OPPORTUNITY TO RENEW TO THE EMBASSY OF THE USA THE ASSURANCES OF ITS HIGHEST CONSIDERATION."

10. NO FILE. DECL OADR DRV HUM [illegible] ALL SECRET
END OF MESSAGE SECRET

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC 2860

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DO 21447

C11N [redacted] 2199/A UNCLASSIFIED

C 5796 & C 5797

2 pages

DENIED IN TOTAL

4360

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ACTION

[redacted]

86 9700519 ASO PAGE 001 IN 9700519

TOR: 26 [redacted] JAN 86 [redacted]

SECRET 26 JAN 86 STAFF

CITE [redacted]

TO: [redacted] DIRECTOR.

NIACT [redacted]

[redacted]

SUBJECT: PRESENT STATUS IN SAGA IN REGARDING MOVEMENT OF TOW MISSILES

REFS: A. DIRECTOR 706805.
B. DIRECTOR 705774.

1. REQUEST [redacted] TRANSMIT R[redacted] TO [redacted]

2. NO FILE. DECL OADR DRV HUM [redacted]

END OF MESSAGE [redacted]ET

(4361)

Released on 1/22/88
under provisions of E.O. 12356
[illegible] National Security Council

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Date 20 APR 1987
HSC & SSC

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CIIN 2201/A

DO 21469

DDO [redacted] File

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D/DCI
OUTGOING

[redacted]

[redacted]

CORRECTED COPY PAGE 001
TOT: 25[redacted] JAN 86 DIRECTOR 706805

TOP SECRE[illegible]
STAFF 25[illegible] DIRECTOR 706805
TO: [redacted]

NIACT [redacted]

[redacted]

SUBJECT: PRESENT STATUS IN SAGA REGARDING THE MOVEMENT OF TOW MISSILES

REFERENCE: DIR 705774

1. AS REQUESTED IN ABOVE REF [redacted]ASE CONFIRM DELIVERY OF CABLE TO [redacted] — DCI

2. NO FILE. DECL OADR DRV HU 2. ALL TOP SECRET.>

ORIG: DDCI (MCMAHON [redacted]
CL BY [redacted]

[redacted] COMMENT: CORRECTED COPY FOR CLA IED BY LINE

END OF MESSAGE

TO CRET

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1/22/88

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

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CIIN 2202/A

DDO [redacted] C.S.

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C/EUR
CUTGOING

[redacted]

85 9135020 ASO PAGE 001
TOT: 27[redacted] NOV 85 DIRECTOR 631112

S E C R E T
STAFF 27[redacted] DIRECTOR 631112
TO: IMMEDIATE [redacted]

SUBJECT: NSC MISSION

REF DIRECTOR 631009

1. REF SUBJECT LINE IN ERROR. PLEASE CORRECT TO READ NSC MISSION. SORRY FOR THE CONFUSION.

2. NO FILE, DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: CDO [redacted] AT DIRECTION C/EUR).<

END OF MESSAGE

[redacted]

1/22/88

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Date 20 APR 1987
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5801 100

C/EUR
INCOMING

[redacted]

85 9136272 ASO PAGE 001 IN 9136272
TOR: 27[redacted]NOV 85 [redacted]

S E C R E T 27[redacted]NOV 85 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

[redacted]

SUBJECT: NSC OPERATION

REF: [redacted]

1. [redacted] ARRANGEMENTS HAVE BEEN MADE FOR AIRCRAFT TO TRANSIT [redacted] WITHOUT PILOT/COMPANY HAVING TO MAKE INDIVIDUAL PRIOR REQUEST. [redacted] NEEDS NOW IS ETA A[redacted]PROPRIATE IDENTIFYING DATA.

2. [redacted]

3. WE'RE READY WHEN YOU ARE.

4. NO FILE. DECL OADR DRV HU[redacted] ALL SECRET.

1/22/87

END OF MESSAGE SECRET

4364

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Date 20 APR 1987
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DO 21451

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C 5302 C/EUR OUTGOING

101

[redacted]

85 9132891 ASO

PAGE 001

TOT: 27 [redacted] NOV 85 DIRECTOR 631009

S E C R E T
STAFF 27 [redacted] DIRECTOR 631009
TO: IMMEDIATE [redacted]

SUBJECT: DCM MEETING WITH FOREIGN MINISTRY

TO DCM FROM C/EUR

1. OPERATION IS STILL ON. WE ARE REGROUPING. WILL ADVISE ADDITIONAL DETAILS TOMORROW.

2. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: CDO [redacted] AT DIRECTION OF C/EUR.<

END OF MESSAGE

[redacted]

1/22/88

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CIIN 2205/A

DO 21452

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C/EUR
OUTGOING

[redacted]

85 9132900B ASO
CORRECTED COPY

PAGE 001
TOT: 27[redacted]NOV 85 DIRECTOR 631010

S E C R E T
STAFF 27[redacted]DIRECTOR 631010
TO: IMMEDIATE [redacted]

SUBJECT: [redacted] MEETING WITH FOREIGN MINISTRY

FOR [redacted] FROM C/EUR

REF [redacted]

1. UNFORTUNATELY REF ARRIVED TOO LATE FOR ME TO RESPOND IN TIME FOR MEETING.

2. MY INABILITY TO RESPOND TO [redacted]OUR MESSAGE PRIOR TO THIS TIME IS A RESULT OF BUREAUCRATIC SNA[redacted] THE LAST FOURTEEN HOURS. I WILL FILL YOU IN TOMORROW.

3. NO FILE. DECL OADR DRV HUM [redacted] ALL SECRET. >
ORIG: C/EUR (CLARRIDGE); REL: CDO [redacted] AT DIRECTION C/EUR. <
CDO COMMENT: CORRECTED COPY TO CORRE[redacted] LINE (FROM) C/EUR
AND LINE 2 PARA 2 MISSP[redacted]

END OF MESSAGE

1/22/88

4366

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

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C11N 2206/A

DO 21453

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103

C/EUR
INCOMING

[redacted]

85 [illegible]134711 ASO PAGE 001 IN 913471
TOR: 27[redacted] NOV 85 [redacted]

S E C R E T 27[redacted] NOV 85 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

NIACT DIRECTOR

[redacted]

SUBJECT: NSC MISSION

REFS: A. [redacted]
B. DIRECTOR 628285

1. PLEASE ADVISE IF A FLIGHT IS [redacted] FOR LATE EVENING 27 NOVEMBER OR EARLY MORNING 28 NOVE[redacted]R REFS.

2. NEW OR RELATED SUBJECT: DIRE[redacted]1009 IS SOMEWHAT CONFUSING. DOES IT RELATE TO THE SA[redacted] INITIATIVE?

3. NO FILE. DECL OADR DRV HUM [redacted] ALL SECRET.

END OF MESSAGE

1/22/88

4367

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

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DO 21454

C11N 2207/A

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Chapter 11 Footnote 27 - 1
105

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C 5006

[redacted]

C/EUR
INCOMING

85 1362728 ASO PAGE 001 IN 91362728
TOR: 27[redacted]NOV 85 [redacted]

SECRET 27[redacted]NOV 85 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR INFO IMMEDIATE [redacted]

NIACT [redacted]

SUBJECT: NSC OPERATION

REF: [redacted]

1. [redacted] ARRANGEMENTS HAVE BEEN MADE FOR AIRCRAFT TO TRANSIT [redacted] WITHOUT PILOT/COMPANY HAVING TO MAKE INDIVIDUAL PRIOR REQUEST. [redacted] NEEDS NOW IS ETA AND APPROPRIATE IDENTIFYING DATA.

2. [redacted]

3. WE'RE READY WHEN YOU ARE.

4. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

HR COMMENT: RELAYED INFO IMMEDIATE NIACT [redacted] PER DIR 631683.

END OF MESSAGE SECRET

4368

1/22/88

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DO 21456

C11N 2209/A

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C/EUR
INCOMING

[redacted]

85 9138145 ASO PAGE 001 IN 9138145
TOR: 27[redacted] NOV 85 [redacted]

S E C R E T 27[redacted] NOV 85 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

REFS: A. [redacted]
B. DIRECTOR 628366

1. [redacted]

2. USE OF [redacted] WOULD REQUIRE SOME COORDINATION, SO WE WILL NEED SOME LEAD TIME.

3. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE

1/22/88

4369

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HSC & SSC

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UNCLASSIFIED C 5008

C/EUR
OUTGOING

[redacted]

85 138691 ASO PAGE 001
TOT: 27[redacted]NOV 85 DIRECTOR 631532

SECRET
STAFF 27[redacted]DIRECTOR 631532
TO: IMMEDIATE [redacted]
[redacted]

SUBJECT: QUESTION REGARDING REVIVING [redacted] COOPERATION

REF: A. [redacted]
B. DIRECTOR 631010

DCM FROM CHIEF/EUR

1. AS I EXPLAINED IN REF B, REF A ARRIVED TOO LATE FOR ME TO OBTAIN AN ANSWER FOR THE AMBASSADOR'S MEETING WITH THE PRIME MINISTER. FURTHER, I WAS UNABLE TO [redacted]DVISE YOU OF THIS BECAUSE OF CERTAIN GLITCHES ON THIS END THAT [redacted] TO BE REMEDIED.

2. THE FOLLOWING WERE THE INSTRUCTIONS WHICH I RECEIVED FROM THE NSC THAT I WAS UNABLE TO TR[redacted] TO YOU. THEY ARE STILL REPEAT STILL VALID FOR USE BY [redacted]ASSADOR.

THE NSC ASKS THAT THE [redacted]OR NOT RAISE THE ISSUE WITH PRIME MINISTER. HOWEVER, [redacted] LATTER RAISES IT HIMSELF AND INDICATES THAT [redacted] PREPARED TO COOPERATE, THE AMBASSADOR SHOULD SAY [redacted] WELCOMES THE OFFER BUT CANNOT ACCEPT IF IT INVOLVES A F[redacted]OTE. NO MATTER WHAT THE OUTCOME OF THE DISCUSSIONS, THE [redacted]DOR SHOULD END BY SAYING THAT HE WILL REPORT [redacted]OSITION TO WASHINGTON AND REQUEST INSTRUCTIONS."

3. PLEASE ASK THE AMBASSADOR TO PROVIDE ALL OF HIS REPORTING IN THIS CHANNEL AND WE WILL PASS EXPEDITIOUSLY TO THE NSC WHO IN TURN WILL INFORM APPROPRIATE INDIVIDUALS IN THE DEPARTMENT OF STATE.

4. LET ME PERSONALLY THANK YOU FOR ALL OF YOUR EFFORTS OF THE LAST SEVERAL DAYS. I KNOW IT HAS NOT BEEN EASY AND I ASSURE YOU THAT APPROPRIATE AUTHORITIES HERE ARE WELL AWARE OF WHAT YOU HAVE TRIED TO DO AND APPRECIATE IT.

5. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: ; REL: C/EUR (CLARRIDGE)
BY [redacted]
END OF MESSAGE SECRET

Partially Declassified/Released on 4/2/88 under provisions of E.O. 12356 by [illegible] National Security Council

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[redacted]

85/9139424 ASO PAGE 001
TOT: 27[redacted]NOV 85 DIRECTOR 631683

S E C R E T
STAFF 27[redacted]DIRECTOR 631683
TO: HEADQUARTERS RELAY.
[redacted]

SUBJECT: CABLE RELAY

1. PLEASE RELAY[redacted]TO IMMEDIATE -NIACT[redacted]FOR INFO.

2. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: C/EUR (CLARRIDGE). CL BY
[redacted]

END OF MESSAGE

SECRET
[redacted]

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DO 21459

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C/EUR
ACTION

[redacted] 58!!..

85 9156354 ASO [redacted] PAGE 001
TOR: 29[redacted]NOV 85 IN 9156354 [redacted]

S E C R E T 29[redacted]NOV 85 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR INFO [redacted]

[redacted]

SUBJECT: NSC OPERATION

REFS: A. DIRECTOR 631684
B. [redacted]

1. BELIEVE PARA 2 REF B PROPOSAL WOULD NOT BE ACCEPTABLE TO [redacted] AND EVEN RAISING IT IN PRINCIPLE COULD POSSIBLY BE COUNTER PRODUCTIVE. WILL WAIT AND SEE HOW OUR NEXT CONVERSATIONS GO.

2. NO FILE. DECL OADR DRV HUM 4-[illegible] ALL SECRET.

END OF MESSAGE

1/22/88

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C11N 2214/A HSC = SSC

DO 21461

UNCLASSIFIED

Chapter 11 Footnote 27 112

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UNCLASSIFIED

C/EUR
ACTION

[redacted] 5813

85 9259251 ASO PAGE 001 IN 9259251
TOR: 10[redacted]DEC 85 [redacted]

S E C R E T 10[redacted]DEC 85 STAFF

AC/E

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

[redacted]

SUBJECT: NSC OPERATION

REF: DIRECTOR 631684

1. I'M AFRAID THE CONTINUED DELAY IN THIS MATTER MAY CAUSE SOME DECOMPRESSION IN OUR ARRANGEMENTS HERE, ESPECIALLY AS WE APPROACH THE HOLIDAYS. APPRECIATE MATTERS ARE NOT IN YOUR HANDS BUT WILL WELCOME ANY INDICATION YOU CAN PROVIDE AS TO WHERE THEY NOW STAND.

2. NO FILE. DECL OADR DRV HUM A[redacted] ALL SECRET.

END OF MESSAGE

1/22/88

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Date 20 APR 1987
HSC & SSC

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DO 21463

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See Hearing Exhibit DRC 1-48

See Hearing Exhibit DRC 1-49

See Hearing Exhibit DRC 1-50

See Hearing Exhibit DRC 1-51 to 1/60

See Hearing Exhibit DRC 1-72

See Hearing Exhibit DRC 1-78

See Hearing Exhibit DRC 180

See Hearing Exhibit DRC 1-82

11-28

See Hearing Exhibit DRC 1-72

See Hearing Exhibit DRC 1-78

See Hearing Exhibit DRC 1-80

11-30

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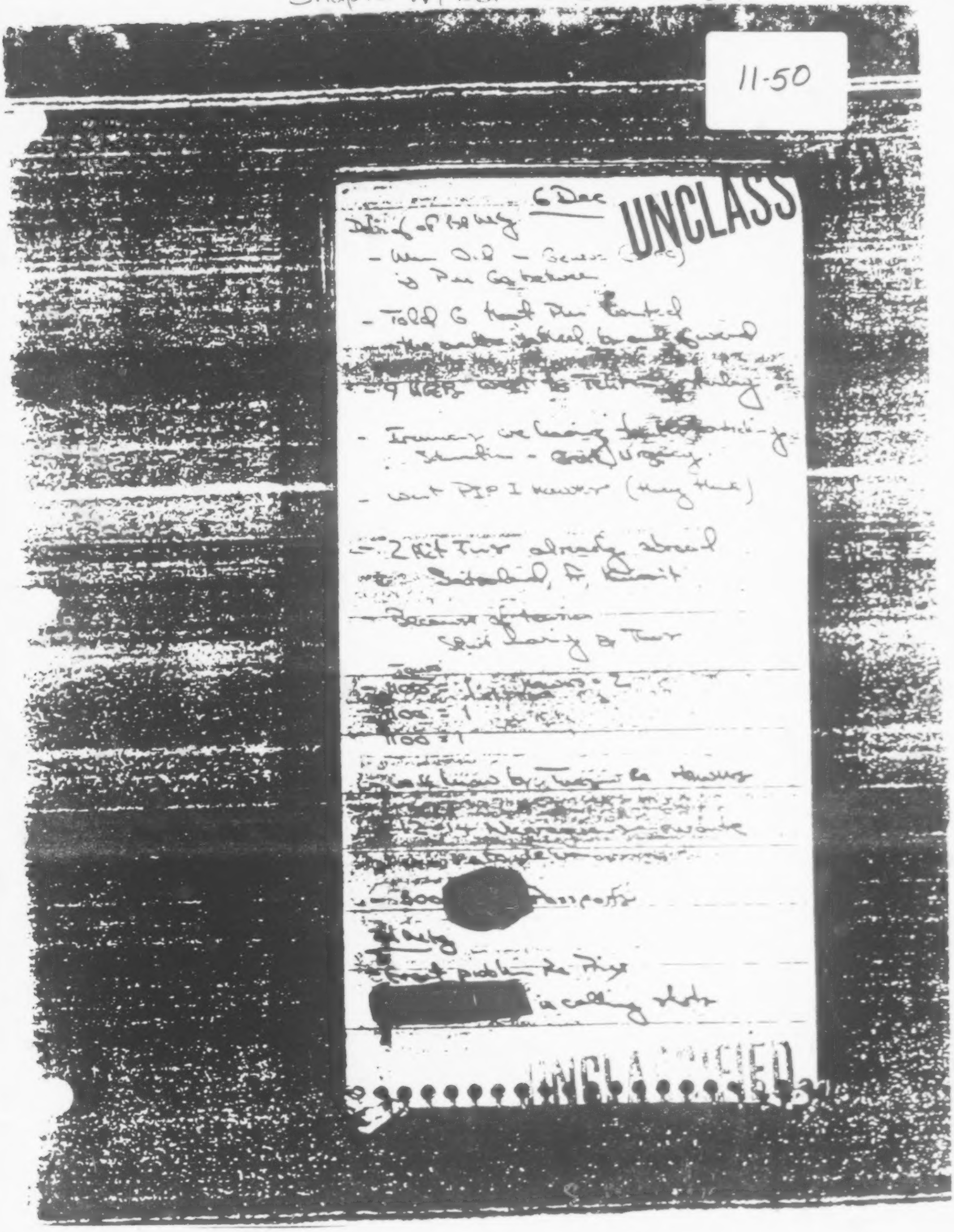
11-45

See Hearing Exhibit CG-76

Chapter 10, Footnote 50 Q1377

11-50



6 Dec

UNCLASS

Debrief of the mtg

- [illegible] - [illegible])
  [illegible]
- Told G that Pres wanted
  [illegible]
- [illegible] to Tehran [illegible] today
- Iranians are losing [illegible]
  situation - great urgency
- want PIP I Hawks (they think)
- 2 [illegible] already abroad
  [illegible], [illegible], Kuwait
- [illegible] of tension
  [illegible] to Thur

Iran
1100 = [illegible] Hawks = 2
1100 = 1
1100 = 1

- [illegible] by Israel [illegible] Hawks
  [illegible]
  [illegible]
  [illegible]
- 500 [redacted] passports

Mtg
- Great problem re Pix
  [redacted] in calling shots

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Chapter 11 Footnote 107

11-107

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UNCLASSIFIED

INSPECTOR GENERAL
SI-99

Director of Central Intelligence
Washington, D.C. 20505

23 December 1985

EYES ONLY--

The President
The White House
Washington, D.C. 20500

Partially Declassified/Released on 6 July 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

Dear Mr. President:

I had hoped to see you today and talk to you about three subjects-- [redacted] efforts going on to get our hostages, [redacted] I need to get to New York for Christmas and I thought I could give you the necessary information on paper. If you wish, you can reach me on a secure telephone either on Long Island through the 26th or Palm Beach after that.

[redacted]

I send you three other attachments:

(1) [redacted]

(2) A quick description [redacted] of effort to get our hostages released is attached for your information.

(3) [redacted]

Respectfully yours,

UNCLASSIFIED

Bill

1685

William J. Casey

DELETIONS NOT RELATED TO NSC IRAN OPERATION (NR)-

[redacted]

REVIEWED FOR RELE
Date 19 DEC 86

UNCLASSIFIED

DCI
23 December 1985

HOSTAGES

(NR)

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

UNCLASSIFIED

(NR) [redacted]

5. The Iranian Gorbanifar, who the NSC staff believes arranged to release Weir, turned up in Washington over the week end. Ollie North put him in touch with us. He has 3 or 4 scenarios he would like to play out. He gave us information about [redacted] It could be a deception to impress us. It is necessary to be careful in talking with Gorbanifar. Still, when our man talked to him on Saturday and asked him if he would take another polygraph he said he would. We think this is worth doing for what we might learn. We want to prepare thoroughly for polygraphing him and because he is going to Switzerland for Christmas, it is understood that he will return here in a week or so for further discussions and for a polygraph.

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Chapter 11 Footnote 108

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11-108

[redacted]

PAGE 001
TOT: 25 [redacted] JUL 84   DIRECTOR 023056

SECRET
STAFF 25 [redacted] DIRECTOR 023056
TO: [redacted]

(4378)

SUBJECT: FABRICATOR NOTICE - MANUCHEHR ((GORBANIFAR)) subject of [illegible]

1. MANUCHEHR ((GORBANIFAR)), AKA DJAFAR SOUZANI, JA'FAR SUZANI, MANOUCH SOUZANI, MANUEL PEREIRA, MANOCHEER KORBANIFAR, NIKOLAOS KRALIS. DPOB: 9 MAY 1945, TEHRAN, IRAN; ALSO 1942 ISFAHAN; CIRCA 1944, 1938. CIT: IRAN. OCCUPATION: EXPORT/IMPORT BUSINESSMAN. FORMERLY MANAGING DIRECTOR ISRAELI-CONNECTED STAR LINE SHIPPING. FORMER IRANIAN ARMY OFFICER. CLAIMS TO HAVE WORKED FOR SAVAK. BELIEVED TO BE IN PERIODIC CONTACT U.S. INTELLIGENCE SERVICE AS WELL AS [redacted] DESCRIPTION: MEDIUM HEIGHT, OVERWEIGHT, DARK EYES, THINNING DARK HAIR, ROUND FACE, WELL-DRESSED. NO KNOWN HEALTH PROBLEMS. DOES NOT SMOKE. PERSONABLE, CONVINCING, FAST TALKER. DIFFICULT TO KEEP TO SUBJECT AT HAND. SELF-PROCLAIMED WHEELER-DEALER SINCE HIS EARLY 20'S. SPEAKS EXCELLENT AMERICAN-STYLE ENGLISH. FAMILY: WIFE [redacted] AFSHARI NOORI GITY. BROTHERS: (1) ALI GORBANIFAR, [redacted] BORN 21 JUNE 1953, ALSO GIVEN AS 1952 ISFAHAN, AKA ALI ((SUZANI)). MAY TRAVEL ON GREEK PASSPORT; (2) REZA ((GORBANIFAR)), NO FURTHER INFORMATION.

REVIEWED FOR RELEASE
Date 27 March 87
HSC + SSC

2. PASSPORTS:

A. PORTUGUESE PASSPORT NUMBER 10696/80 IN NAME OF MANUEL PEREIRA ISSUED GOVERNO CIVIL DE BRAGA ON 3 OCTOBER 1980, VALID UNTIL 3 OCTOBER 1985.

B. GREEK PASSPORT NUMBER X-10723 IN NAME OF NIKOLAOS KRALIS ISSUED 27 OCTOBER 1981 IN STOCKHOLM, VALID UNTIL 26 OCTOBER 1986.

C. IRANIAN PASSPORT NUMBER 11652209 IN NAME OF JA'FAR SUZANI. AS OF 1982 SAID TO HAVE IRAQI PASSPORT IN ARAB NAME. CLAIMS TO BE IN POSITION TO PRODUCE GENUINE PASSPORTS OF VARIOUS NATIONALITIES.

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3. ACTIVITIES:

A. PRIOR TO IRANIAN REVOLUTION SUBJECT HAD BEEN A [redacted] INFORMANT FOR IRANIAN INTEL AND CLAIMED TO HAVE ACCESS TO MAN SENIOR RANKING OFFICERS IN MILITARY AS WELL AS ACCESS TO IRA UNDERWORLD CHARACTERS OF VARIOUS ILLICIT HUES. AS OF LATE WAS MEMBER OF TEHRAN KOMITE AND WAS ABLE TO TRAVEL FREELY B EUROPE AND IRAN IN CONNECTION WITH HIS IMPORT/EXPORT BUSIN THE HE AND HIS BROTHERS, ALI AND REZA GORBANIFAR, BECOME IMPL IN ABORTIVE COUP OF 9 JULY 1980 WHICH RESULTED IN CURTAILMENT OF HIS TRIPS TO IRAN. SINCE THAT TIME HE HAS BEEN LOCATED PRIMARILY IN PARIS WITH HIS BROTHER ALI BUT TRAVELS TO ATHENS, TURKEY AND IRAN FOR PURPOSE OF MEETING WITH OTHER EXILE LEADERS IN SUPPORT OF HIS "GROUP" IN IRAN. HE CLAIMED AT ONE TIME TO BE CLOSELY AFFILIATED WITH SHAHPOUR BAKHTIAR BUT LATER SAID HE AND HIS "GROUP" WERE

227
03 1/30

[redacted]

OUTGOING MESSAGE
OUTGOING MESSAGE
OUTGOING MESSAGE

~~SECRET~~ UNCLASSIFIED

C 1463

[redacted]

PAGE 002
TOT: 25[redacted]JUL 84 DIRECTOR 023056

MONITORING BAKHTIAR, MADANI AND OTHER EXILE GROUPS.

B. FOR YOUR INFORMATION ONLY: [redacted] IN JANUARY 1980 [redacted] INTRODUCED HIM TO A [redacted] OFFICER. [redacted] AND THUS HE BECAME A [redacted] SOURCE ON [redacted] MATTERS UNTIL ABOUT FEBRUARY 1981. DURING THIS PERIOD HE WAS MET BY [redacted] AND PROVIDED SOME USEFUL INFORMATION ON [redacted] AS WELL AS PERSONALITIES IN IRAN. [redacted] HE HAD A HISTORY OF PREDICTING EVENTS AFTER THEY HAPPENED AND WAS SEEN AS A RUMORMONGER OF OCCASIONAL USEFULNESS. IN ADDITION, THE INFORMATION COLLECTED BY HIM CONSISTENTLY LACKED SOURCING AND DETAIL NOTWITHSTANDING HIS EXCLUSIVE INTEREST IN ACQUIRING MONEY.

[redacted]

[redacted]

[redacted]

E. FOR YOUR INFORMATION ONLY: ON 17 MARCH 1984 SUBJECT MET WITH A [redacted] OFFICER IN FRANKFURT AND VOLUNTEERED INFORMATION ON THE BEIRUT KIDNAPPING OF COS, BEIRUT AND ON A PLOT TO ASSASSINATE PRESIDENTIAL CANDIDATES. HE SAID HE HAD STOPPED DEALING WITH [redacted] IN 1981 BECAUSE [redacted] WAS NOT GOING TO ACT ON INTEL HE WAS GIVING TO BRING DOWN THE [redacted] REGIME. [redacted] ON 18 MARCH 84 HE WAS [redacted] IN FRANKFURT TO DETERMINE VERACITY OF HIS INFORMATION. HE FAILED EXAM ON SIGNIFICANT ISSUES OF FABRICATION AND HE DELIBERATELY PROVIDED FALSE INFO ON BEIRUT KIDNAPPING AND ASSASSINATION PLOT. AT REQUEST OF [redacted] HE WAS [redacted] ON 12 JUNE 84 AND AGAIN FAILED EXAM. HIS REACTIONS INDICATED HE WAS PRACTICING DECEPTION ON ALL RELEVANT QUESTIONS CONCERNING PLOT TO ASSASSINATE PRESIDENTIAL CANDIDATES.

3RD AGENCY

DO ...226

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[redacted]

[redacted]

6. SUBJECT SHOULD BE REGARDED AS AN INTELLIGENCE FABRICATOR

CIIN 1023

~~SECRET~~ UNCLASSIFIED

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Date 27 March 87
HIC + SSC

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[redacted] PAGE 003
TOT: 25[redacted]JUL 84 DIRECTOR 023056

AND A NUISANCE. ANY FURTHER APPROACHES BY SUBJECT OR HIS BROTHER ALI SHOULD BE REPORTED BUT NOT TAKEN SERIOUSLY.

5. [redacted]

6. FILE: [redacted] DECL OADR DRV HUM 4-82.
ALL SECRET >
ORIG: NE[redacted]
REL: CNE (). CL

END OF MESSAGE SECRET

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A

REVIEWED FOR RELEASE
Date 23 March 87
HSC & SSC

C11N 1023

DG 9225
08 [illegible]

Chapter 10, Footnote 138

11-138

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N 1229

1	The President		
2	John M. Poindexter		
3	Oliver L. North		
4			
5			
6			
X	ACTION		FILE
	APPROVAL		INFORMATION
	COMMENT		PREPARE REPLY
	CONCURRENCE		RECOMMENDATION
	DIRECT REPLY		RETURN
	DISPATCH		SIGNATURE

REMARKS

NSC/ICS CONTROL NO 40011

COPY NO 3A OF ___

HANDLE VIA SYSTEM IV CHANNEL ONLY

NSC INTELLIGENCE DOCUMENT

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

1823

Declassified/Released on ___
under provisions of E.O. 12356
by B. Reger, National Security Council

N375
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PAPERCLIP
175-377

UNCLASSIFIED

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. [illegible]

SYSTEM II
NSC ICS-4[illegible]

January 4, 1986

N 1230

[redacted]

~~TOP SECRET~~

ACTION

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH

SUBJECT: Covert Action Finding on Iran

Attached at Tab I is a memorandum from you to the President forwarding a Covert Action Finding (Tab A). This Finding is based on our discussions with Nir and my subsequent meeting with CIA General Counsel Stanley Sporkin.

At Sporkin's request, I talked to Bill Casey on secure re the Finding and the overall approach. He indicated that he thought the Finding was good and that this is probably the only approach that will work. He shares our goal of achieving a more moderate government in Iran through this process.

RECOMMENDATION:

That you sign the memorandum to the President at Tab I.

Approve _____ Disapprove _____

Attachments
Tab I - Poindexter Memo to the President
Tab A - Covert Action Finding

[redacted]

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Declassify on: OADR

TOP SECRET

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N 1231

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THE WHITE HOUSE

WASHINGTON

[illegible]
[illegible]

N 1232

~~TOP SECRET~~

[redacted]

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: JOHN M. POINDEXTER

SUBJECT: Covert Action Finding Regarding Iran

This week, Prime Minister Peres of Israel secretly dispatched his special advisor on terrorism with instructions to propose a plan by which the U.S. and Israel can act in concert to bring about a more moderate government in Iran. The Israelis are obviously very concerned that the course of the Iran-Iraq war and the potential for further radicalization in Iran pose a significant threat to the security of Israel.

The Israeli plan is premised on the assumption that moderate elements in Iran can come to power if these factions demonstrate their credibility in defending Iran against Iraq and in deterring Soviet intervention. To achieve the strategic goal of a more moderate Iranian government, the Israelis are prepared to unilaterally commence selling military materiel to Western-oriented Iranian factions. It is their belief that by so doing they can achieve a heretofore unobtainable penetration of the Iranian governing heirarchy. The Israelis are convinced that the Iranians are so desperate for military materiel, expertise and intelligence that the provision of these resources will result in favorable long-term changes in personnel and attitudes within the Iranian government. Further, once the exchange relationship has commenced, a dependency would be established on those who are providing the requisite resources, thus allowing the providor(s) to coercively influence near-term events.

As described by the Prime Minister's emissary, the only requirement the Israelis have is an assurance that they will be allowed to purchase U.S. replenishments for the stocks that they sell to Iran. Since the Israeli sales are technically a violation of our Arms Export Control Act embargo for Iran, a Presidential Covert Action Finding is required in order for us to allow the Israeli sales to proceed and for our subsequent replenishment sales.

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Declassify on: OADR UNCLASSIFIED

[redacted]

UNCLASSIFIED N 1233

~~TOP SECRET~~

[redacted]

The Covert Action Finding attached at Tab A provides the lattitude for the transactions indicated above to proceed. If this Finding is signed, we would not interfere when the Israelis unilaterally commence sales and deliveries of TOW missiles during January, 1986. We would also be able to legally sell basic TOWs to Israel when they submit purchase orders for replenishing their own stocks. The Iranians have indicated an immediate requirement for 4,000 basic TOW weapons for use in the launchers they already hold. We would be expected to replace the Israeli stocks in less than 30 days. 4,000 missiles represent 1/3 of all available TOWs in Israel.

The Israelis and the Iranians with whom they are in contact agree that the continued holding of the five American hostages in Beirut will be immediately solved through commencement of this action. Prime Minister Peres had his emissary pointedly note that they well understand our position on making concessions to terrorists. They also point out, however, that terrorist groups, movements, and organizations are significantly easier to influence through governments than they are by direct approach. In that we have been unable exercise any suasion over Hizballah during the course of nearly two years of kidnappings, this approach through the government of Iran may well be our only way to achieve the release of the Americans held in Beirut. It must again be noted that since this dialogue with the Iranians began in September, Reverend Weir has been released and there have been no Shia terrorist attacks against American or Israeli persons, property, or interests.

The Israelis have asked for our urgent response to this proposal so that they can plan accordingly. They note that the current crisis in the Middle East provides a rationale for a significant purchase of TOWs and expedited delivery on our part. In order to provide an answer to Prime Minister Peres, the Finding at Tab A should be discussed privately with Secretaries Shultz, Weinberger, Director Casey and Attorney General Meese. If, based on their input, you decide to proceed, the Finding should be signed and held.

Recommendation:

OK	No	
____	____	That you agree to meet with Secretaries Shultz and Weinberger, Director Casey and Attorney General Meese on this matter as soon as possible.

Attachment
Tab A - Covert Action Finding

Prepared by:
Oliver L. North

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[redacted]

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Chapter 11, Footnotes 143,14
N 7718 314

UNCLASSIFIED

11-143+145

Saturday, December 7, 1985 (10:00 - 11:00 AM)

Meeting in Residence with President, Shultz, Weinberger, McMahon, Regan, McFarlane, Poindexter

Monday, January 6, 1986 (9:30AM)

NSB with Vice President, Regan and Fortier
President signed first Finding

Tuesday, January 7, 1986 (12:20 - 1:00 PM)

Meeting in Oval Office with President, Vice President, Shultz, Weinberger, Casey, Meese, Regan, Poindexter

Thursday, January 16, 1986 (5:00 - 7:30PM)

Meeting in JMP's office with Weinberger, Meese, Casey and Sporkin (CIA General Counsel)

Friday, January 17, 1986 (9:30AM)

NSB with Vice President, Regan, Fortier
President read memo and signed final Finding (first Finding superceded)

January 7, 8, 9, 16: Discussion of Hostages during NSB

1/22/88

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UNCLASSIFIED

Chapter 11 Footnote 172

TO: C/NE/[redacted] [redacted]

FROM: [redacted] 13 January 1985 6092

SUBJECT: [redacted]

11-172

BACKGROUND:

[redacted]) is a 40-year-old male citizen of IDEN D, who first became of interest to [redacted] during March 1984 by providing [redacted] with information regarding the kidnapping of [redacted] citizen. However, a March 1984 [redacted] administered to [redacted] on this topic showed deception. [redacted] again became of interest when he claimed to have information of a plot to assassinate [redacted] political figures during the Fall of 1984. However, a June 1984 [redacted] administered to [redacted] on this topic showed deception.

PURPOSE:

[redacted] was requested by NE Division to determine [redacted]s truthfulness regarding his information of or involvement with: IDEN C, IDEN D terrorists, IDEN D, and negotiations to release [redacted] hostages. [redacted] declared that [redacted] was not to be advised of the [redacted] results, confronted, or interrogated.

PROCEDURE:

During 11 January 1985 between the hours of 1500 and 2000, [redacted] was administered a [redacted] by examiner [redacted] while at a local hotel in Washington, D.C. [redacted] remained in the hotel room test site during the entire test. The english language was used.

4375

RESULTS:

Deception indicated to thirteen of the fifteen relevant questions. Inconclusive to the remaining two.

DETAILS:

[redacted] accompanied by [redacted] arrived on time and appeared to be in good physical health. He said he was not taking any medication. [redacted] explained to [redacted] that testing would be administered in four phases.

A

CL BY [redacted]
DECL BY OADR
DRV FROM [redacted]

3 3B

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REVIEWED FOR RELEASE
Date 16 Apr 87

[redacted]
Page Two

UNCLASSIFIED

C 6093

Phase I questions dealt with [redacted]'s information of or involvement with IDEN C. Phase I relevant questions and [redacted]'s answers appear below:

A. Has IDEN C personally told you he is willing to cooperate with [redacted] U.S. intelligence? ANSWER: Yes.

B. Are you trying to deceive us about IDEN C's actual degree of influence with IDEN E? ANSWER: No. [redacted] Islamic Jihad

Testing showed deception to question B. Question A is inconclusive due to inconsistent reactions.

Phase II questions covered [redacted]'s information of or involvement with IDEN B terrorists. During pretest discussions of question F (aware of threats against [redacted], [redacted] provided very basic and "new" information about terrorist's current plans targeted against [redacted] (subsequent [redacted] testing on this "new" information showed deception to all relevant questions; please see "Phase V"). Also during the pretest discussion, [redacted] said that in a conversation with IDEN F that IDEN F bragged that "my group" (IDEN C) assassinated IDEN L in [redacted] and "we are very happy." Unable to locate their real target (IDEN H), the hit team chose IDEN L. Phase II relevant questions and [redacted]'s answers appear below:

C. Are you trying to deceive us in any way about the source of the information regarding the three-man team (The IDEN G three-man hit team)? ANSWER: No.

D. Regarding European-based IDEN B terrorist, have you deliberately fabricated any of the information you have provided? ANSWER: No.

E. Did IDEN F tell you the Hamburg Team (The IDEN G three-man hit team) killed IDEN L? ANSWER: Yes. [redacted]

F. Other than what you have told us U.S., are you aware of ongoing plans targeting [redacted] persons or interests for acts of terrorism you are not telling us about? ANSWER: No.

Testing showed deception to questions C, D, E, and F.

Phase III questions focused on [redacted]'s information of or involvement with IDEN D. Phase III relevant questions and [redacted]'s answers appear below:

G. Are you trying to deceive us about your claimed contact with IDEN D? ANSWER: No. [redacted]

3 3B

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-CIIN 2360/A

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REVIEWED FOR RELEASE
Date 16 Apr 87
HSC & SSC

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H. Are you trying to deceive us when claiming IDEN D and senior officials have said to have agreed to cooperate with [redacted]? ANSWER: No. [redacted]

Testing showed deception to question H. Testing was inconclusive to question G due to inconsistent reactions.

Phase IV questions dealt with [redacted]'s information of or involvement with the negotiations to release [redacted] hostages. Phase IV relevant questions and [redacted]'s answers appear below:

U.S.

I. Did you have prior knowledge that the [redacted] hostages would not be released at the conclusion of the negotiations? ANSWER: No.

J. Did you and IDEN I cooperate together to deceive [redacted] in the hostage deal? ANSWER: No. [redacted]

K. Are you under control of any official organization of the IDEN B government? ANSWER: No.

Iran

L. Did you independently plan to deceive [redacted] during the hostage negotiations? ANSWER: No.

Testing showed deception to questions I, J, K, and L.

Having completed the four phases of testing, and realizing that just about everything [redacted] declared has been fabricated, [redacted] returned to the "new" information about terrorist's current plans targeted against [redacted]. While discussing this topic, [redacted] was occasionally evasive and often reluctant to answer questions.

[redacted]

CIIN 2360/A

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[illegible] 16 Apr 87

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[redacted]

Not only was [redacted] occasionally evasive and often reluctant to answer questions, he contradicted himself. During the beginning discussion, [redacted] said that [redacted] and [redacted] terrorist were present at this meeting, but 20 minutes later when recapitulating this story, [redacted] failed to mention the presence of [redacted] terrorist.

Phase V questions focused on [redacted]'s claim to provide [redacted] The following relevant questions and [redacted]'s answers appear below:

M. Last Sunday and Monday did you meet with Palestinians to talk about their desires to target [redacted] interest in IDEN J? ANSWER: Yes.

N. Last Sunday and Monday did you agree with these Palestinians to deliver, in part, [redacted] ANSWER: Yes.

O. Are you lying to me about any aspect of the meeting [redacted] with terrorists? ANSWER: No.

Testing showed deception to questions M, N, and O.

At the completion of Phase V testing, the [redacted] exam was amicably terminated.

[redacted]

Distribution:
Orig - [redacted]
1 - C/NL[redacted]
1 - [redacted]

[redacted]

ALL PORTIONS OF THIS DOCUMENT
ARE CLASSIFIED SECRET

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CIIN 2360/A

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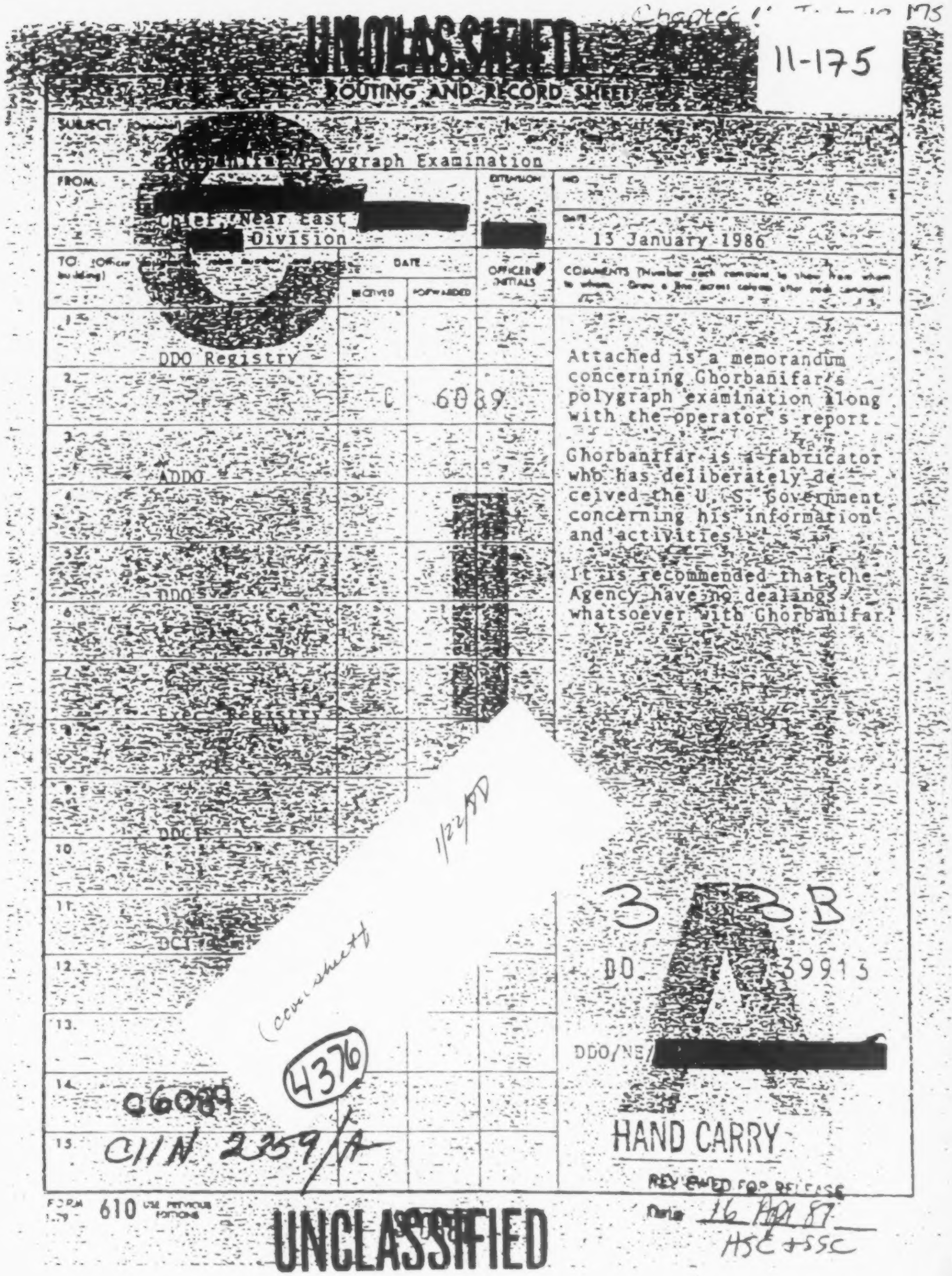
Date 16 Apr 87
HSC+SSC



Chapter 11 [illegible] 175

11-175

UNCLASSIFIED

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Ghorbanifar Polygraph Examination

FROM: [redacted]

Chief, Near East [redacted]

[redacted] Division

EXTENSION: [redacted]

NO.

DATE: 13 January 1986

TO: (Officer designation, room number, and building)	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS
1. DDO Registry			
2.	C	6089	
3. ADDO			
4.			
5. DDO			
6.			
7. Exec. Registry			
8.			
9. DDCI			
10.			
11. DCI			
12.			
13.			
14. C6089			
15. CIIN 2359/A			

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

Attached is a memorandum concerning Ghorbanifar's polygraph examination along with the operator's report.

Ghorbanifar is a fabricator who has deliberately deceived the U. S. Government concerning his information and activities.

It is recommended that the Agency have no dealangs whatsoever with Ghorbanifar.

3 3B

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DDO/NE/[redacted]

HAND CARRY

1/22/88

(cover sheet)

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REVIEWED FOR RELEASE

Date 16 Apr 87

HSC + SSC

FORM 610 USE PREVIOUS EDITIONS 1-79

UNCLASSIFIED

The Director of Central Intelligence
Washington, DC 20505

Chapter 11
Footnote 137

C 184

National Intelligence Council

NIC 00672-87
13 February 1987

11-187

MEMORANDUM FOR: Carroll L. Hauver
Inspector General

FROM: Charles E. Allen
National Intelligence Officer for Counterterrorism
Chief, Intelligence/Counterterrorism Center

SUBJECT: Addendum to Statement of NSC Initiative on Iran

1. At the suggestion of the Deputy Inspector General, I am providing additional details on certain aspects of my involvement in the Iranian initiative. These additional details are being offered as a result of my recalling in greater detail certain aspects of the initiative and of having my memory refreshed through review of papers and discussions with other Agency officials involved in the initiative.

2. I now recall that on 13 and 26 January 1986 Manucher Ghorbanifar, the Iranian intermediary involved in the Iranian initiative, made comments to the effect that he could obtain money for the Contras if the Agency supported him in thwarting terrorist attacks [redacted]. Even though a review of my notes confirms that he made statements to this effect, I did not include those comments in the memoranda I prepared because they seemed both far fetched and trivial. [redacted] From his perspective, he said [redacted] would be happy to receive such help and would reward him handsomely as well as be willing to supply funds to "Ollie's boys in Central America". Because my objective was to collect terrorist-related information that Ghorbanifar had on Iran, Syria, and Libya, the statements that funds could be collected for the Contras seemed so preposterous that I did not give them any consideration whatsoever. I did record in-depth all information that he was willing to provide on terrorists, terrorist groups, or terrorist plots, [redacted] Again, my focus in discussions with Ghorbanifar were directed at terrorist activity. Funding for the Contras in Central American was not a consideration, even remotely. I only recalled the comments made by Ghorbanifar after talking with the Inspector General's staff in late November.

1/22/88

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CL BY [redacted]
DECL OADR

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3. I also wish to clarify for the record a question put to me during my interview with you and other members of your staff in November. At that time, and in a subsequent memorandum prepared by a member of your staff, it was noted that Richard Kerr, Deputy Director of Intelligence, initially thought that he recalled I had told him as early as May 1986 that I believed funds were being diverted from the Iranian initiative to the Contras in Central America. I discussed the Iran initiative with Mr. Kerr several times during the summer and fall of 1986, essentially in the context of the problems of operational security of the initiative. I want to state emphatically, however, that the earliest I could have made comments relating to possible diversion of funds to the Contras to Mr. Kerr was in late August 1986.

4. It is my understanding now from discussions with Mr. Kerr that he believes that our conversation on the initiative and my alluding to possible diversion of funds to the Contras likely occurred in the August timeframe, although he does not recall a specific date. I want to reemphasize that I had not reached any judgments in the May timeframe that funds were being diverted to anti-Sandinista forces in Central America. It was only in late August 1986 that I began to suspect that funds were going to Central America.

Charles E. Allen

Charles E. Allen

cc: OGC
D/OCA

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Chap-s 11, Footnote 188

Attachment A

C. 1180

11-188

4379

[redacted]

pushed Iran to support Q; believes G. will arrange to have M- actually killed

- 3 connections to Libya: Syrian rel. the best; can fund Contras; can fund good guys in Iran:
  - — $6 M. down payment
  - — 10 million barrels of oil

* · Need to buy trust -- false fabrication one example: [redacted] has arrangement with Q -- can work + dev. insight inside Libyan intel operations + network

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Chapter VI, Footnote 201

UNCLASSIFIED

C 1780 11-201

(1148)

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Wednesday
January
1986

[redacted]

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MEMOR

12:00 P.M
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1:30 Ollie North 1 3 [illegible]
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5:00

Partially [illegible] on 22 June 1987
[illegible]
by [illegible]

JN-AL

December						1985
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29	30	31				

January						1986
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February						1986
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Wednesday [illegible]

[illegible] 586
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Chapter 11, Footnote 201

13 Week Beginning January

UNCLASSIFIED

	MONDAY, JANUARY 13	TUESDAY, JANUARY 14	WEDNESDAY, JANUARY 15
7			
7:15			
7:30	CDSN. WHSR	CDSN WHSR	CI Seminar
7:45			Ben Earl
8			Cra[illegible] attend
8:15			
8:30			
8:45	· Lyle (call)		
9	Jenn Cowley		
9:15	L2. & B. shop (Lyle)		
9:30	GEN Lewis Rm 3164		
9:45	[redacted] NECB		
10		Walt Raymond Mtg	
10:15			
10:30			
10:45			
11	CCL [illegible]	Stearman - Psy Ops	
11:15			
11:30		[illegible]	1140 Elliott Abrams
11:45			
12			
12:15			
12:30	Lunch w/Ben Elliott		
12:45	WH Mess		
1			[illegible]
1:15			
1:30	CCPP		Stanley Sporkin
1:45			
2	CPPG WHSR		
2:15		[redacted]	
2:30			
2:45			
3	Clair George		
3:15	Stanley Sporkin		
3:30		TIWG - OSG Rm 370	
3:45		Oakley - Moeller mg	
4	[illegible] Sayle	Koch [redacted] Revell Allen	
4:15			
4:30		RIG Rm 6263	
4:45	Moshe Zur		
5			
5:15			
5:30	David Halevy	Low Intensity	
5:45		Conflict Seminar	
6		DOD - Noel Koch	
6:15	Rich Miller	[illegible] ltr	
6:30			
6:45			
7			
7:15	Sp ts / Dan HAG		
7:30			
7:45			

2100 Ledeen

10 Aug 87

3335

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Chapter 11, Footnotes 143,14
N 7718 214

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11-214

Saturday, December 7, 1985 (10:00 - 11:00 AM)

Meeting in Residence with President, Shultz, Weinberger, McMahon, Regan, McFarlane, Poindexter

Monday, January 6, 1986 (9:30AM)

NSB with Vice President, Regan and Fortier
President signed first Finding

Tuesday, January 7, 1986 (12:20 - 1:00 PM)

Meeting in Oval Office with President, Vice President, Shultz, Weinberger, Casey, Meese, Regan, Poindexter

Thursday, January 16, 1986 (5:00 - 7:30PM)

Meeting in JMP's office with Weinberger, Meese, Casey and Sporkin (CIA General Counsel)

Friday, January 17, 1986 (9:30AM)

NSB with Vice President, Regan, Fortier
President read memo and signed final Finding (first Finding superceded)

January 7, 8, 9, 16: Discussion of Hostages during NSB

1/22/88

N7718.

4374

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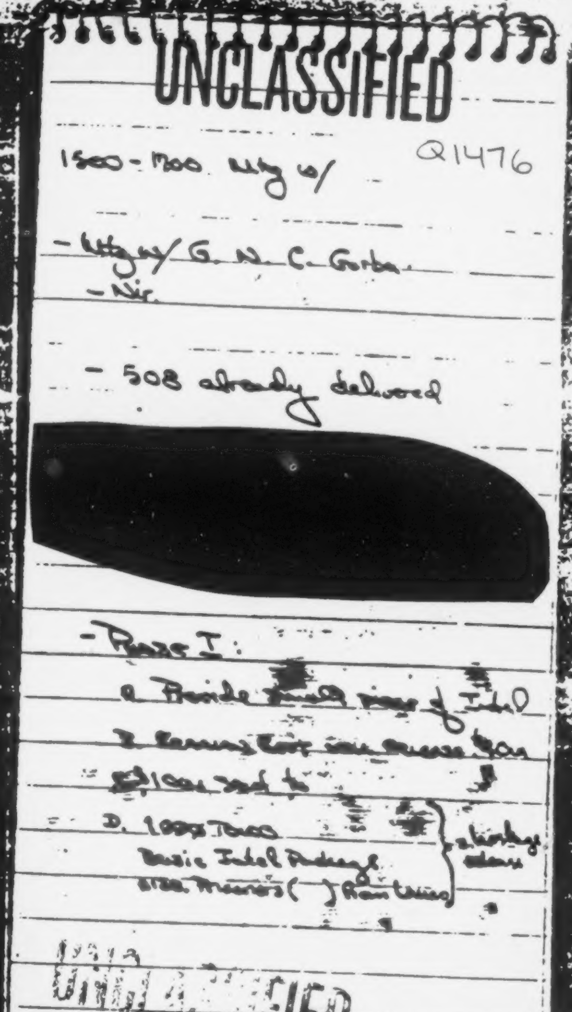
CHAPTER 12. ARMS SALES TO IRAN: THE UNITED STATES TAKES CONTROL

12-13

See Hearing Exhibit OLN-69A

Chapter 12, Footnote 24

12-24



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Q1476

1500-1700 Mtg w/

- Mtg w/ G. N. C. Gorba.
- Nir.

- 508 already delivered

[redacted]

- Phase I:
  - a Provide small piece of Intel
  - b Remaining [illegible] [illegible] [illegible]
  - c 1000 [illegible] to
  - D. 1000 TOWS
    Basic Intel Package
    [illegible] [illegible] ( ) [illegible] [illegible]
  } already done

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ch 12 # 28

— OLN Tape
London Mtg.
1/22/86

UNCLASSIFIED

Jack Taylor
House Select Comm - Iran
10/20/87

Voices of OLN, Seward, Ghorbanifar, Nir

Tape I, Side I [Direct Copy of 70423001 EVD] Q4 N 2106

[redacted]

12-28

There is discussion about an American operation involving $12 m [redacted] U.S., and further discussion of Ayatollah Khomeini.

~~North says "Charlie is not in this operation and I don't want Charlie ^I'm sitting right here.... we've got boxes, an I don't want to open all the ^other boxes here. [ref to other clandestine ops ?] ....~~

North: "Cause Charlie is not in this operation and I don't need Charlie, you know, I'm sitting right here in this room ... and we've got boxes, an I don't want to open all the other boxes here....

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under provisions of E.O. 12356
by K. Johnson, National Security Council

(4963)

Long Pause

G: "I think this is, Ali, the best ~~[illegible]~~ chance we (garbled), we never will find such a good time [illegible] ever get such good

UNCLASSIFIED

money (garbled), uh, we do everything, we do hostages (laughs) free of charge, we ~~will~~ do all terrorists free of charge, ~~[illegible]~~ Central America free of charge. American business free of charge, [redacted], everything (laughs) free"

OLN: "I I would like to see, ..., some point this, uh, idea on the [redacted] thing, and maybe, you know, if there is ~~some~~ future opportunity, ~~in~~ w/Central American, you ~~know~~ there is a lot of Lybian, a lot of ~~Lybian~~ and Iranian activity with the Nicaraguans.

G: "I know all this ..... we can all have them, we need some~~[illegible]~~what to fulfill, somewhat to get (garbled)

Nir: [Immediately interrupts] "~~[illegible]~~ ~~right~~ OK let's get back to ~~business~~ the operation. So, you get the 1000, the uh 600, $10 m delivered to us, 10 days later? 7 days later?

Second: "I, my best guess is about 9 or 10 days after ~~[illegible]~~ ~~[illegible]~~ the money, we start to move.

Nir: 'We start to move, the first shipment, we start to move"

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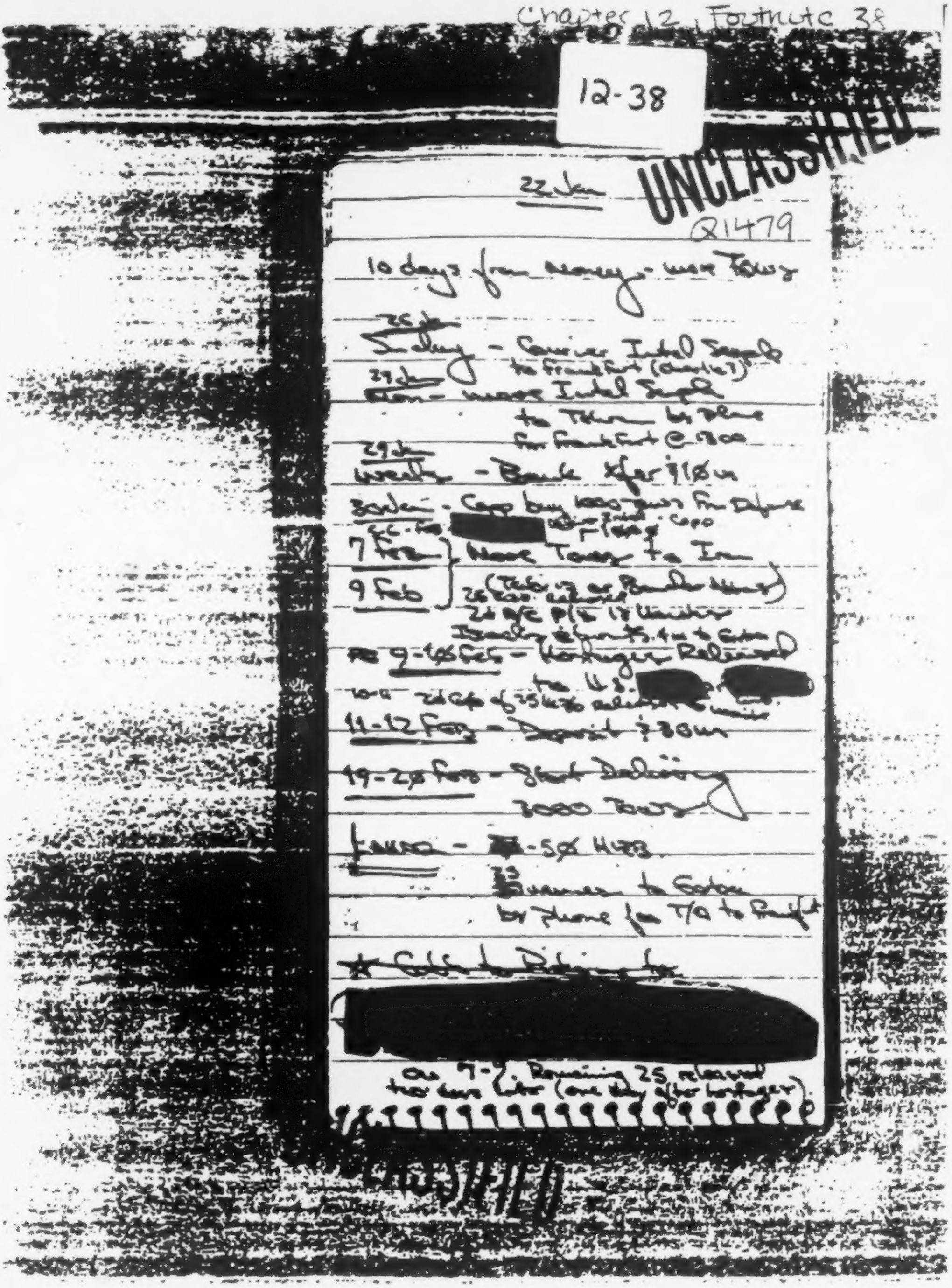
12-34

See Hearing Exhibit OLN-69A

Chapter 12, Footnote 38



12-38

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Q1479

22 Jan

10 days from money - wpns TOWs

25 Jan
Sunday - Courier Intel Sample
to Frankfurt (Charlie?)

27 Jan
Mon - Move Intel Sample
to Tehran by plane
from Frankfurt @ 1300

29 Jan
Wednsdy - Bank Xfer $10M

30 Jan - Copp buy 1000 TOWs fr Defense
[redacted] [illegible] Copp
[illegible]

7 Feb } Move TOWs to Iran
9 Feb } (Take off on Bandar Abbas)
25 [illegible] delivered
2d A/C P/U 17 [illegible]
Israelis [illegible] $5.4M to Gorba

9-10 Feb - Hostages Released
to U.S. [redacted] [redacted]

10-11 2d A/C of 25 [illegible]

11-12 Feb - Deposit $30M

19-20 Feb - Start Delivering
3000 TOWs

[illegible] - [illegible]-50 HWs
25
[illegible] to Gorba
by phone for T/O to Frankfurt

★ ~~Call to Rodriguez for~~

[redacted]

On 7-9, Remaining 25 released
two days later (one day after hostages).

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Chapter 12, Footnote 39

12-39

UNCLASSIFI

31 Jan

– Mtg w [redacted] ; Copp   Q1501

Thurs Feb 4 – Money wire to CIA

Wed Feb 5 – Tows fm Ghorbanifar [redacted]

[illegible]

Feb 6 – Secord center

Sun Feb 7 – (Late) SAT A/C Depart for Israel –

N5285J
N5255J } 2 707/320C's

or

L100 – N2613S

All HAWKS [illegible] on board

– DS [illegible]
– Hold Harmless

[redacted] will call Kelly AFB

FPR [illegible]

[illegible]

Southern Air Transport

[illegible]

★ [illegible] DS Request [illegible]

[illegible]

(Sat) 2000 [illegible]

8 Feb – Deliver to Israel

[illegible]

Tues 9 Feb – Pick Israeli 707/331

Wed 10 Feb – Israeli 707 to Bandar Abbas

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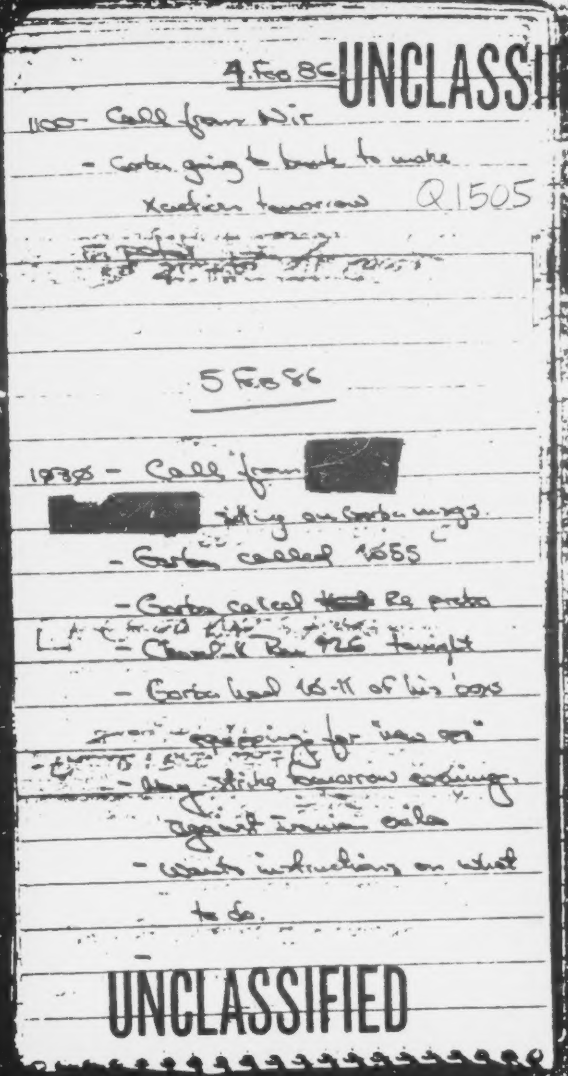
Chapter 12, Footnote 40

12-40



4 Feb 86 UNCLASSIFIED

1100 - Call from Nir

- Gorba going to bank to make Xactions tomorrow

Q1505

5 Feb 86

1930 - Call from [redacted]

[redacted] sitting on Gorba mtgs.

- Gorba called 1655
- Gorba called ~~[illegible]~~ Re proto
- Checked to Rm 426 tonight
- Gorba had 16-17 of his boys equipping for "new op"
- May strike tomorrow evening against Iranian oils
- Wants instructions on what to do.

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12-41

CLASSIFIED AT TIME OF PUBLICATION.

Chapter 12, Footnote 42

UNCLASSIFIED

FILE: NOTE [redacted] WHITE HOUSE COMMUNICATIONS AGENCY

PAGE 001

N 12117

[redacted]

[illegible] 5/6/87

NOTE [redacted]

MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA 02/13/86 21:39:07
To: NSJMP --CPUA

*** Reply to note of 08/31/85 13:26

-- ~~SECRET~~ --

NOTE FROM: OLIVER NORTH
Subject: PRIVATE BLANK CHECK
Operation [illegible] is now under way. 1000 items are currently enroute to
CIA's from Anniston Alabama. Copy is enroute to Ben Gurion

12-42

(400)

UNCLASSIFIED

FILE: NOTE [redacted] WHITE HOUSE COMMUNICATIONS AGENCY PAGE 068

N 12118

Apt to conduct final briefing for his flight crews who arrived today and commenced fam flights on the two Israeli 707s. All 1000 items will lift off from Kelly AFB at 1400 on Saturday. 500 will be delivered to Bandar Abbas to arrive at dawn on Monday. The meeting we had wanted to pass the second set of intel has now been slipped to Weds by Gorba. We will explore a second mtg/agenda/location/participants w/ him at this mtg per yr dir. [redacted] Second 500 will go to Bandar Abbas on Friday vice Thurs.

Copp, North plan to meet in Frankfurt on Tues. along w/ one of Dewey's people to wire my hotel room for mtg. Carrying the luggage have on for this purpose is too much of a hassle going thru customs/airport security in Europe. If all goes according to plan will release 25 Hizballah shortly after Waite meets w/ his Beirut contact hopefully on Friday. This wd keep our schedule for releasing the Americans on for Sunday, Feb. 23. Something to pray for at church that day.

PRIVATE BLANK CHECK

[redacted]

[redacted]

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under provisions of E.O. 12356

~~-- SECRET --~~

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(401)

12-44

See Hearing Exhibit OLN-271

Ch. 12 #58

~~TOP SECRET~~ UNCLASSIFIED N 1547

Copp: 2/27/86 1020

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by K. Johnson, National Security Council

161455Z Feb 86.

12-58

707 has signaled success and due to land at Ben Gurion in a few minutes.

THIS PAGE (N - -+7)
Copied For Mark
3/5/87
Ben

Met with Nir and Gorba this a.m. for on agonize over the two soldiers, while Gc matters and how he can stay in the cent man. Nir then left for Tel Aviv. Subsequently, [illegible] I met with [redacted] for about one hour. Abe did beautiful job of rug merchanting with [redacted] and also helped Gorba's ego a lot. [redacted] He propagandized a lot about Iranian fighting spirit and we assured him Americans respected Iranian people. He emphasized need for quick meeting at Kish and said he would possibly, repeat, possibly surprise us by getting some hostages released before meeting. [redacted] [redacted] suggest you make contingency plan to accommodate early release (i.e., as early as Sunday). So, bottom line is on to Kish ASAP to seize the potential opening now created.

Regards, Richard. BT

1128 EST - 707 Back at B.G. Apt.

TOP SECRET UNCLASSIFIED

4965

Gorba got 13,200/missile
Gets? 200/missile Given 350/missile to Ledeen

12-59

See Hearing Exhibit OLN-272

Chapter 12, Footnote 60

FILE: NOTE [redacted] 0 WHITE HOUSE COMMUNICATIONS AGENCY

UNCLASSIFIED

-- ~~SECRET~~ --

N 12122

[redacted]

8
02/27/86 16:02:23

MSG FROM: NSRCM --CPUA TO: NSOLN --CPUA
To: NSOLN --CPUA

*** Reply to note of 02/27/86 08:54

-- ~~SECRET~~ --

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by ... Reger, National Security Council

NOTE FROM: ROBERT MCFARLANE
Subject: How are things?
Roger Ollie. Well done--if the world only knew how many times you have kept a
semblance of integrity and gumption to US policy, they would make you
Secretary of State. But they can't know and would complain if they did--such
is the state of democracy in the late 20th century. But the mission was
terribly promising. As you know I do not hold Gorbanifar in high regard and so
am particularly glad to hear of apparent authority.

I have just gotten a note from John asking whether or not I could go some time
next week and that the President is on board. I agreed. So hunker down and get
some rest; let this word come to you in channels, but pack your bags to be
ready to go in the next week or so. Incidentally, I have had periodic requests
from Nike to assist in getting visas for Gorbanifar to come to Switzerland. I have
refused. Surely if they have any real bona fides they can get a visa in Tehran
from the Swiss embassy or somewhere else. I do not intend to tell Nike any of
this new info. Recommend against your doing so.

Bravo Zulu.
* How are things?

[redacted]

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12-60

405

UNCLASSIFIED

Chapter 12
Footnote 61

N 12120

NOTE FROM: OLIVER NORTH
Subject: How are things?

✓ Just returned last night from mtg w/ in Frankfurt. If nothing else the meeting serves to emphasize the need for direct contact with these people rather than continue the process by which we deal through intermediaries like Gorbanifahr. Because CIA wd not provide a translator for the sessions, we used Albert Hakim, an AMCIT who runs the European operation for our Nicaraguan resistance support activity. [redacted] accompanied me so that I wd have someone along who wd provide an "objective" account.

Throughout the session, Gorbanifahr intentionally distorted much of the translation and had to be corrected by our man on occasions so numerous that Finally had Albert translate both ways. Assessment of mtg & agreement we reached as follows: has authority to make his own decisions on matters of great import. --He does not have to check back w/ Tehran on decisions take. --The govt. of Iran is terrified of a new Soviet threat. --They are seeking a rapprochement but are filled w/ fear & mistrust. --All hostages will be released during rpt during the next meeting. --They want next mtg urgently and have suggested Qeshm Is. off Bandar Abbas. --They are less interested in Iran/Iraq war than we originally believed. --They want technical advice more than arms or intelligence. --Tech advice shd be on commercial & military maintenance - not mil tactics --They committed to end anti-U.S. terrorism. --They noted the problems of working thru intermediaries & prefer dir. contact /noted that this was first USG/GOI contact in more than 5yrs. important recognizes risks to both sides -- noted need for secrecy. stressed that there were new Sov. moves/threats that we were unaware of. While all of this could be so much smoke, I believe that we may well be on the verge of a major breakthrough - not only on the hostages/terrorism but on the relationship as a whole. We need only to go to this meeting which has no agenda other than to listen to each other to release the hostages and start the process. Have briefed both JMP and Casey -- neither very enthusiastic despite North summary along lines above. Believe that you shd be chartered to go early next wk - or maybe this weekend - but don't know how to make this happen. Have not told JMP that this note is being sent. Help. Pls call on secure yr earliest convenience. Warm, but fatigued regards, North

2 How are things? 8
MSG FROM: NSOLN --CPUA TO: NSRCM --CPUA 02/27/86 20:11:51
To: NSRCM --CPUA

*** Reply to note of 02/27/86 16:02

~~-- SECRET --~~

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by J. Reger, National Security Council

NOTE FROM: OLIVER NORTH
Subject: Exchanges

✓ Since the missive of this morning, met w/ Casey, JMP, [redacted] Clair George and all have now agreed to press on. Believe we are indeed headed in the right direction. Just finished lengthy session w/ JMP he indicated that he has passed substance to you and has given me dates that you are not avail.

Will endeavor to sched. mtg so that these do not conflict but noted to JMP that it was their call as to date of mtg. Just rec'd msg fm Secord via secure device we are using, has again reaffirmed that once we have set a date we shall have a very pleasant surprise. Dick & I believe that they may be preparing to release one of the hostages early. Dick also indicated that yr counterpart at the mtg wd be Rafsanjani. Nice crowd you run with! God willing

12-61

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403

N 12121

Shultz will buy onto this tomorrow when JMP brief him. With the grace of the good Lord and a little more hard work we will very soon have five AMCITS home and be on our way to a much more positive relationship than one which battere ours for lives.

I value our friendship and confidence very highly and did not mean to infer that you had revealed these exchanges. By asking that you not indicate same to JMP I was only inferring that I had not told him anything of it so as not to compromise myself at a point in time when he needs to be absolutely certain that this can work. He is, as only you can know, under tremendous pressure on this matter and very concerned that it go according to plan. My part in this was easy compared to him. I only had to deal with our enemies. He has to deal with
 the cabinet.Many thanks for yr trust. Warm regards, North
 Exchanges

MSG FROM: NSOLN --CPUA TO: NSRCM --CPUA 02/27/86 20:22:22
To: NSRCM --CPUA

*** Reply to note of 02/27/86 16:02

-- ~~SECRET~~ --

NOTE FROM: OLIVER NORTH
Subject: How are things?

Am reading things out of sequence due to fatigue. Many thanks for yr note. Have responded to most of this in my reply re exchanges - before I read this one. Yr concerns re Mike are shared here. WILCO re the passing of info. He means well but poses a significant problem. Nir says he has info that Mike has a financial relationship w/ Gorba, Nimrodi and perhaps Schwimmer. If true, this is not good. We also know that Gorba tells Mike everything and that is an additional reason to get Gorba out of the long range picture ASAP. We will still need to have him involved in the TOWs transactions since he manages the financial end for the Iranians in Europe. We ought to sit quietly and think about how we handle Mike so that he does not start talking out of disgruntlement (if that's a word). Have asked JMP for a session w/ you and Dick Secord as soon as possible after Dick returns tomorrow night fm Eur where he is setting up an arms delivery for the Nic resistance. A man of many talents ol' Secord is. Must be off. Am supposed to make a speech on aiding the Nic resistance to a group of suppporters. Best regards. North
 How are things?

[redacted]

[redacted]

-- SECRET --

[redacted]

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404

Chapter 12, Footnote 62

From: NSRCM --CPUA
Date and time 02/27/86 21:37:48
To: NSOLN --CPUA

1363

*** Reply to note of 02/27/86 20:11

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SECRET

N 41077

NOTE FROM: ROBERT MCFARLANE
Subject: Exchanges

No sweat GI. I just sent a separate note about not shar9ing with John because I had forgotten to put it in the other note. And I fully understand the narrow path he is trying to walk between those who want to go balls out for the wrong reasons (Regan) and those who don't want to do it at all (GPS and Cap). So play it any way you must. As for my commitments don't worry about them; set it up any way you wish that it works for them. I only mentioned it to John to ask that he try to give me a heads up soon so that I can cancel--which I am glad to do--with some grace.

12-62

1205

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by B. [illegible], National Security Council

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OLNOOP Box 25-5
adg 4/2/87

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12-70

Document

N 7671 - 7672

Deleted in

its Entirety

1336

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by B. Reger, National Security Council

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Chapter 12 Foot[illegible] 71

[redacted]

D/DCI
OUTGOING

12-71

[redacted] PAGE 001
TOT: 25[redacted] JAN 86 DIRECTOR 705774

[redacted]

25[redacted] DIRECTOR 705774
TO: IMMEDIATE [redacted]

NIACT ISLAMABAD.

[redacted]

Partially Declassified/Released on 12 Jul 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

586

SUBJECT: PRESENT STATUS IN SAGA REGARDING THE MOVEMENT OF TOW MISSILES

PLEASE PASS TO DCI FROM DDCI EYES ONLY AT START OF HIS DAY AND PLEASE CONFIRM DELIVERY.

1. A NEW DIMENSION HAS BEEN ADDED TO THIS PROGRAM AS A RESULT MEETING HELD IN LONDON BETWEEN NORTH AND GHORBANIFAR. WE HAVE BEEN ASKED TO PROVIDE A MAP DEPICTING THE ORDER OF BATTLE ON THE IRAN/IRAQ BORDER SHOWING UNITS, TROOPS, TANKS, ELECTRONIC INSTALLATIONS, AND WHAT HAVE YOU. THE GAME PLAN IS FOR A SEGMENT OF THE MAP DEPICTING A PART OF THE FRONT TO BE PASSED TO SHOW OUR BONA FIDES AND THAT WILL START IN TRAIN A SERIES OF EVENTS. WHEN THE MOVEMENT OF THE MISSILES TAKES PLACE, THE REMAINDER OF THE MAP WILL BE PASSED AND THAT WILL PROMPT ALL THE RECIPROCAL ACTION ON THE PART OF THE IRANIANS. TIMING IS FOR THE FIRST SEGMENT OF THE MAP TO BE DELIVERED LEAVING HERE TOMORROW, SATURDAY, 25 JANUARY. THEN ON THE 9TH OF FEBRUARY, A THOUSAND TOWS WITH THE REMAINDER OF THE MAP AS THE FIRST TRANCHE OF A 4,000 COMMITMENT.

2. WE ARE TO GET THE TOWS FROM THE US ARMY AND ARRANGE TRANSPORT OVERSEAS.

3. EVERYONE HERE AT HEADQUARTERS ADVISES AGAINST THIS OPERATION NOT ONLY BECAUSE WE FEEL THE PRINCIPAL INVOLVED IS A LIAR AND HAS A RECORD OF DECEIT, BUT, SECONDLY, WE WOULD BE AIDING AND ABETTING THE WRONG PEOPLE. I MET WITH POINDEXTER THIS AFTERNOON TO APPEAL HIS DIRECTION THAT WE PROVIDE THIS INTELLIGENCE, POINTING OUT NOT ONLY THE FRAGILITY IN THE ABILITY OF THE PRINCIPAL TO DELIVER, BUT ALSO THE FACT THAT WE WERE TILTING IN A DIRECTION WHICH COULD CAUSE THE IRANIANS TO HAVE A SUCCESSFUL OFFENSE AGAINST THE IRAQIS WITH CATACLYSMIC RESULTS. I NOTED THAT PROVIDING DEFENSIVE MISSILES WAS ONE THING BUT WHEN WE PROVIDE INTELLIGENCE ON THE ORDER OF BATTLE, WE ARE GIVING THE IRANIANS THE WHEREWITHAL

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TOP SECRET

Att. 1 #131

COPY # 001

~~TOP SECRET~~
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[redacted] PAGE 002
TOT: 25[redacted] JAN 86 DIRECTOR 705774

FOR OFFENSIVE ACTION.

4. POINDEXTER DID NOT DISPUTE OUR RATIONALE OR OUR ANALYSIS, BUT INSISTED THAT IT WAS AN OPPORTUNITY THAT SHOULD BE EXPLORED. HE FELT THAT BY DOING IT IN STEPS THE MOST WE COULD LOSE IF IT DID NOT REACH FULFILLMENT WOULD BE 1,000 TOWS AND A MAP OF ORDER OF BATTLE WHICH IS PERISHABLE ANYWAY.

5. WE ARE NOW PROCEEDING TO PREPARE THAT MAP AND DELIVER IT TO NORTH AT 1100 SATURDAY MORNING WASHINGTON TIME.

6. I HAVE READ THE SIGNED FINDING DATED 17 JANUARY 1986 WHICH GIVES US THE AUTHORITY TO DO WHAT THE NSC IS NOW ASKING. HENCE, IN SPITE OF OUR COUNSEL TO THE CONTRARY, WE ARE PROCEEDING TO FOLLOW OUT ORDERS AS SO AUTHORIZED IN THE FINDING.

7. NO FILE. DECL OADR DRV HUM-4-82. ALL TOP SECRET.)
ORIG: DDCI (MCMAHON 1:55).
END OF MESSAGE [redacted]

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~~TOP SECRET~~

Chapter 12, Footnote 72.

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12-72

1 MAR 86

Jensen - [redacted]

2035

[redacted]

Vince - 2-1222

☐ Cruz - see Lane Kirkland
Ed Dougherty - AFL/CIO

2 MAR 86

- Mtg w/ Secord & Albert
  - Albert talked to [redacted]
    - Situation is not right for mtg in Iran

[redacted] - wants Phoenix's

☐ WIZ - Tell Gaston to get this meeting 3/12 KEEP
- no way we can delay this much further.
- Gorba pull out all stops.

4221

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Chapter 12, Footnote 73

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7 March 1986

12-73

MEMORANDUM FOR: Chief, NE Division

FROM: DC/NE

1 0613

SUBJECT: [redacted] Operation

1. Sorry to miss you. Ghorbanifar insisted on another meeting after which the Keesh Island matter will be set. We understand [redacted] that he is again promising 100 Phoenix missiles, which of course we will not honor. North is prepared to stonewall in Paris. There will be no more "slices of salami" handed out. However, our other friend, NE[redacted]R, will also be present. We sense strongly [redacted] that he is unilaterally providing additional arms as an incentive to the Keesh Island. I have briefed Ed Juchniewicz on the above. I tried to get into McMahon, but he did not have time. I will be back Saturday PM and will give you a ring. What we may be facing is evidence that [redacted] does not have the authority in Tehran to make it work. B

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by P. [illegible] National Security Council

4222

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ZIIN #186/5 08

Chapter 12, Footnote 78

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12-78

7 Mar 86

- You told it [illegible]
- Recognize that this is [illegible] diff project
- [illegible] — 2C48
- No intention to get you out of [illegible]
- [illegible]
- Very interested in other opportunities and [illegible] for you
- Our interests [illegible] well beyond [illegible] Soviet threat.
- We cannot verify that there is anyone else in GO.Ir. aware or even interested in talking to USG
- [illegible]
- There is not a mandate for disc. at this mtg. Req. v. high lvl Political Decision in USG.
- Dealing w/ [illegible] to make decisions [illegible]
- Up to now primary purpose is on [illegible] -- not political change.
- New proposal:
  - Release hostages first to put issue behind them.
- [illegible] necessary to counter Soviet threat.

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by B. Reger, National Security Council

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4223

Chapter 12 #79 NO DATE

UNCLASSIFIED

[illegible] [illegible] [illegible] memo

Ghobini Fir (6H)

12-79

1. [redacted] WAS VERY RELAXED AND SAID THAT EVERYTHING WAS ARRANGED. HE SA HE MIGHT GO TO TEHRAN IMMEDIATELY AFTER OUR DISCUSSIONS TO Y MAKE SURE EVERYTHING STAYS ON TRACK.

2 .WANTEDA TO KNOW WHO WOULD BE GOING TO TEHRAN. TOLD HIM MACFARLAND. GODD GOOD AND O'NEIL. PLUS A COMMO SPECIALIST. HE THOUGHT THAT WOULD FINE.

3. WE TOLD HIM THAT WE DID NOT WANT TO GO INTO DETAILS AS THIS WAS GOO SHOW AND WE WOULD EXPLAIN EVERYTHING THIS AFTERNOON. WE DID SAY THAT GOOD HAD DRAWN UP A SCHEDCULE THAT WE W HOPED WOULD BE ACCEPTABLE TO THE OTHER SIDE. WE EMPHASIZED TO HIM THAT IIF THIS THING IS TO WORK HE MUST PLAY A KEY WHICH WE WILL EXPLAIN TO HIM IN GREAT DETAIL THIS AFTERNOON. HE SEEMED PLEASED WITH ALL THIS. HE WAS GOING TO CALL TEHRAN IMMEDIATLY AFTER WE LEFT TO EXPLAIN THAT WE WERE LINING UP ALL DUCKS.

4. HE SPENT SOME TIME TELLING US THAT WE MUST MENTION NOTHING ABOUT ISRAEL IN OUR MEETINGS AS THIS COULD QUEER THINGS. HE SAID MAYBE WE COULD MENTION ON LEAVING THAT THEY COULD RELY ON (6H) [redacted] ON THIS CASE. (W HOW MUCH THIS IS GOING TO COST THE ISRAELIS).

5. HE ALSO SADI THAT WHILE IN TEHRAN HE HAD TALKED TO THE CONSERVATIV LEADERS LINE NO. 1. [redacted] ACCORDING TO OUR RECORDS). (6H) [redacted] SAID THAT HE HAD ARGUED WITH THEM THAT THIS WAS A GREAT OPPORTUNITY. THEY ARE GOING TO GET INTO POWER AFTER KHOMEINI GOES. SO LET SOMEONE ELSE MAKE THE OPENING TO THE AMERICANS.

6. (6H) [redacted] ALSO BRIEFED CERTAIN MILITARY LEADERS ON THIS PROJECT TO GET SUPPROT. NEEDLESS TO SAY THEY WERE ENTHUSIASTIC.

7 . ASKED (6H) [redacted] FOLLOWING: GIVIEN A SUCCESSFULL MEETING. WHO WILL HANDLE FOLLOW UP ON THE IRANIAN SIDE? THIS CAUGHT HIM BY SUPRISE AND HE SAID T HE THOUGHT IT COULS HAVE TO INVOLVE BOTH RAFSENJANI FROM LINE THREE AND SOME PEOPLE FROM LINE ONE. HE SAID GIVEN THIS HE THOUGHT IT ESSENTIAL THAT THE GROUP ALSO MEET WITH PEOPLE FROM LINE ONE WHICH HE COULD ARRAN AS AN ASIDEHE SAID THAT MUSAVI IS BIG PROBLEM IN THAT HE REALLY DOESN'T LIKE YOU GUYS.

[redacted]

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by B. Reger, National Security Council

1398

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Date 11 DEC 84

ATTN #A251

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9. WE TOLD HIM THAT WE WANTED TO STRAIGHTEN OUT THE DIFFICULTIY OVER THE DIRECT PHONE CALLS TO [redacted] TOLD HIM THAT THE CALL WAS INSTIGATED BY [redacted] AND NOT US AND IN OUR REPLY WE TOLD [redacted] TH WE CONSIDER THE DEAL TO BE AS ENUNCIATED IN FRANKFURT. [redacted] SAID THAT PROBLEM SOLVED AS IT WAS HE WHO TOLD [redacted] TO CALL US INDEPENDENTLY T CHECK ON HIM AND HIS HONESTY VIA ANOTHER CHANNEL. THUS ENDED THIS CONVERSATION.

10 THERE WAS SOMETHING IN HIS CONVERATION WHICH LED US TO BELIEVE HE INDICATED TWO TRIPS TO TEHRAN.

11. WE HAD TO LISTEN TO AT LEAST A HALF AN HOUR OF TALK ON HOW CAREFULL WE MUST BE IN DEALING WITH THESE GUYS AND HOW WE NEEDED SUCH A PERSON A HIM TO GUIDE THE WAY HE KNEW HOW TO HANDLE THEM.

12. HE ALSO PROPOSED THAT WE USE PROFITS FROM THESE DEALS IB AND OTHERS TO FUND [redacted] WE COULD DO THE SAME WIT NICARAUGRA.

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CIN #0251, page 2 of 2

FILE: [redacted] AO WHITE HOUSE COMMUNICATIONS AGENCY

UNCLASSIFIED

PAGE 076

Chapter 12
Footnote 82

[redacted]

[redacted]:24

[redacted]

MSG FROM: NSOLN --CPUA TO: NSDCH --CPUA 03/10/86 21:10:24
To: NSDCH --CPUA

*** Reply to note of 03/10/86 09:04

[redacted]

NOTE FROM: OLIVER NORTH
Subject: How's It Going?

Per request from yr old friend Gorba, met w/ him in Paris on Saturday. He started w/ a long speech re how we were trying to cut him out, how important he is to the process and how he cd deliver on the hostages if only we cd sweeten the pot w/ some little tid-bits -- like more arms, etc. After his speech I allowed as how he was not getting the message, but that I wd reiterate:

-- The hostages are a serious impediment to serious govt-to-govt discussions and this must be resolved before we can discuss any further transactions. -- We remain ready to go to Kish or anywhere else to discuss issues of mutual concern as long as the hostages are going to be released during or before this meeting. -- The real problem facing Iran - that of Soviet intervention was becoming a reality and the Iranians are in no position to deal w/ this problem. We can help - and are willing to because a free, independent Iran is in our best interests. Unless the hostage issue is resolved quickly and favorably, U.S./Iranian cooperation on opposing the Soviets is out of the question.

Much more said in this regard, but you have the essence. Bob Gates has [redacted] We probably won't know for a couple of weeks whether this "the Russians are coming" approach will have any effect, but it does have the merit of being mostly the truth - and something about which their military people expressed great concern during the Frankfurt meeting the week before. We shall see.

8 July 87

12-82

(1977)

UNCLASSIFIED 077

Finally, on a new subject: wd very much like to have a one-on-one w/ you in the next few days if at all possible. I have been advised by HQMC that they have cut orders for me to go to 2d MARDIV this summer. This is a situation (like so many others) fraught w/ opportunity and risk. I, quite frankly don't know what to do about the situation, but will have to take some kind of action in the next few weeks. Wd very much appreciate yr good counsel on the merits/liabilities of such an assignment and advice on how to proceed. Warm regards and many thanks to both you and Jonny for the beautiful flowers.

How's It Going? 8
MSG FROM: NSRCM --CPUA TO: NSOLN --CPUA 03/10/86 09:00:40
To: NSOLN --CPUA

*** Reply to note of 03/10/86 08:50

[redacted]

NOTE FROM: ROBERT MCFARLANE
Subject: How's It Going?
Roger; many thanks.

How's It Going? 8
MSG FROM: NSOLN --CPUA TO: NSRCM --CPUA 03/11/86 07:23:38
To: NSRCM --CPUA

*** Reply to note of 03/10/86 22:10

[redacted]

NOTE FROM: OLIVER NORTH
Subject: How's It Going?
My gut response on yr scenario re North's personal situation is that I like it. There is a question as to how to make it all happen, but it wd be good to disc. w/ you @1000 Friday. Have blocked same on my sched. Looking forward to it. In re the Gorba prob: He is aware of the Kish mtg and is basically carrying our water on the mtg since he is still the only access we have to the Iranian political leadership. It wd be useful, I believe, for you to talk w/ George Cave, the Agency's Iran expert. He shares our concerns that we may be dealing only w/ those who have an interest in arms sales and their own personal financial gain and believes the "Russians are coming" approach is about the only way to broaden the perspective. We wd do well to explore other contacts if they can be opened [redacted] George is going to see what we have on this so that we can assess whether or not it wd be useful to make such an approach. He advises that if we were able to get to [redacted] or [redacted] w/ this message we might be able to make some headway. Will advise. If you wd like to meet w/ George, pls let me know and I will arrange. Warm regards.
North NT

How's It Going? 8
MSG FROM: NSRCM --CPUA TO: NSOLN --CPUA 03/10/86 22:10:29
To: NSOLN --CPUA

*** Reply to note of 03/10/86 21:10

[redacted]

NOTE FROM: ROBERT MCFARLANE
Subject: How's It Going?
Roger Ollie. I guess I'm a little puzzled about the Iranian wiring diagram.

UNCLASSIFIED

Chapter 12, Footnote 83

UNCLASSIFIED

From: NSRCM --CPUA Date and time 03/10/86 22:14:26
To: NSOLN --CPUA

*** Reply to note of 03/10/86 21:10

N 41078 1364

~~SECRET~~

NOTE FROM: ROBERT MCFARLANE
Subject: How's It Going?
Roger Ollie. I guess I'm a little puzzled about the Iranian wiring diagram. From whom are we getting the word concerning a meeting in the Gulf? Is Gorba involved in that dialogue or is that info coming through the Israelis? It strikes me that it is probably OK to keep Gorba in the dark--to the extent that is possible to do so if there is another channel. Gorba is basically a self-serving mischief maker. Of course the trouble is that as far as we know, so is the entire lot of those we are dealing with. The Soviet threat is the strategic menace and I would guess that they would like to avoid having Russians in Iran. But it is going to take some time to get a feel for just who the players are on the contemporary scene in Teheran. So the sooner we get started the better.

I would be glad to meet to talk about he Marine Corps. I will be having lunch with Paul Nitze this Friday. How about right after that at about 2:00pm in your office?

Frank.y, I would expect the heat from the Hill to become immense on you by summer. Consequently it strikes me as wise that you leave the White House. At the same time, there will be no one to do all (or even a small part of what) you have done. And if it isn't done, virtually all of the investment of the past five years will go do wn the drain.

How's this for a self-serving scenario: 1. North leaves the White House in May and takes 30 days leave. 2. July 1st North is assigned as a fellow at the CSIS and (lo and behold) is assigned to McFarlane's office 3. McFarlane/North continue to work the Iran account as well as to begin to build other clandestine capabilities so much in demand here and there. Just a knee jerk musing.

12-83

[illegible] 8 July 87
[illegible] of E.O. 12356
[illegible] Security Council

1969

OLN00F Box 34-6
4/2/87
QD9

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FILE: 4 [redacted] WHITE HOUSE COMMUNICATIONS AGENCY

UNCLASSIFIED 077

Chapter 12
Footnote 34

12-84

Finally, on a new subject: wd very much like to have a one-on-one w/ you in the next few days if at all possible. I have been advised by HQMC that they have cut orders for me to go to 2d MARDIV this summer. This is a situation (like so many others) fraught w/ opportunity and risk. I, quite frankly don't know what to do about the situation, but will have to take some kind of action in the next few weeks. Wd very much appreciate yr good counsel on the merits/liabilities of such an assignment and advice on how to proceed. Warm regards and many thanks to both you and Jonny for the beautiful flowers.

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     How's It Going?                                                  R
MSG FROM: NSRCM   --CPUA     TO: NSOLN   --CPUA             03/10/86 09:04:46
To: NSOLN   --CPUA

*** Reply to note of 03/10/86 08:58
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NOTE FROM: ROBERT MCFARLANE
Subject: How's It Going?
Roger; many thanks.

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  -  How's It Going?                                                  R
MSG FROM: NSOLN   --CPUA     TO: NSRCM   --CPUA             03/11/86 07:23:34
To: NSRCM   --CPUA

*** Reply to note of 03/10/86 22:19
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NOTE FROM: OLIVER NORTH
Subject: How's It Going?
My gut response on yr scenario re North's personal situation is that I like it. There is a question as to how to make it all happen, but it wd be good to disc. w/ you 1400 Friday. Have blocked same on my sched. Looking forward to it. In re the Gorba prob: He is aware of the Kish mtg and is basically carrying our water on the mtg since he is still the only access we have to the Iranian political leadership. It wd be useful, I believe, for you to talk w/ George Cave, the Agency's Iran expert. He shares our concern that we may be dealing only w/ those who have an interest in arms sales and their own personal financial gain and believes the "Russians are coming" approach is about the only way to broaden the perspective. We wd do well to explore other contacts if they can be opene[redacted] George is going to see what we have on this so that we can assess whether or not it wd be useful to make such an approach. He advises that if we were able to get to [redacted] or [redacted] w/ this message we might be able to make some headway. Will advise. If you wd like to meet w/ George, pls let me know and I will arrange. Warm regards.
North BT

```
     How's It Going?                                                  R
MSG FROM: NSRCM   --CPUA     TO: NSOLN   --CPUA             03/10/86 22:19:24
To: NSOLN   --CPUA

*** Reply to note of 03/10/86 21:10
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NOTE FROM: ROBERT MCFARLANE
Subject: How's It Going?
Roger Ollie. I guess I'm a little puzzled about the Iranian wiring diagram.

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EXCLUSIVE DISSEMINATION

Chapter 12
Footnotes 85, 86

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12-85+86

NIC 01512-86
21 March 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with Subject

1. Subject called on 20 March 1986 from Nice to inform me that he had just returned from a meeting with Adam. He had briefed Adam on his trip to Tehran where he had met with some senior Iranian Government officials on "the principal matter." He stated that he had talked to the Prime Minister, Speaker of the National Assembly Rafsanjani, [redacted] These discussions had been very stressful but some useful developments had occurred. A report was being sent by express mail to Mr. Goode in Washington. Enclosed in this report were some technical requirements from the Iranian military. He was hopeful that a meeting of the principals could be conducted in the near future.

2. [redacted]

3. According to Subject some significant changes should be occurring within the Iranian Government in the next ten days. These changes are very interesting and have been carefully pre-planned. In Subject's view, this would create a somewhat different environment for the initiative of Mr. Goode but the problem was workable. He noted that Ayatollah Khomeini himself remained very ill.

4. Subject stated that he had provided several photographs to Adam including one of the next Prime Minister. He also requested that I return to him the originals of all material he had provided me at meetings in January. He asked that they be sent to him via an associate who would be coming to Europe around 10 April. I assured him that I would provide him with the originals.

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by B. Reger, National Security Council

CL B[redacted]
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[illegible]tion

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5. Adam, in a conversation with me later on 20 March, confirmed that he had met with Subject and that the proposals made by Subject were "somewhat" promising. However, the sequence of events that were to occur during the next meeting with the principals was not acceptable. This could be worked successfully, however. Adam stated that Subject needed the help and support of all parties at this critical time, pointing out that Subject remains the central thread in this entire initiative. He noted that Subject in this latest meeting lacked his usual optimism and zeal. He said he found Subject almost totally exhausted. Adam also claimed that Subject urgently needs financial assistance because of arrangements that he has made to cover the indebtedness of others. He asserted that he was making arrangements to assist Subject at least temporarily.

6. Adam stated that Subject had clearly lost some credibility with "key" associates because of his inability to deliver on the issue of terrorism. He asserted that Subject needs assistance in working on terrorism matters and was at a loss why more support was not forthcoming on the part of the United States. He thought there was "a tendency" on the part of the US to state that Subject could not deliver. We then ensured that this was a "self-fulling" prophecy by not providing him with assistance. He urged that the US Government be more responsive in support of Subject, again noting that he remains the best hope for a successful US initiative.

7. Comment: I tend to agree with Adam that we should work with Subject concurrently both on "the main problem" as well as on assisting him in terrorism, regardless of whether we find his information at this stage credible. He remains the single link to significant Iranian leaders who may be able to accomplish a major Administration objective.

Charles E. Allen

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[illegible]T/ORCON

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Chapter 12
Footnote 89

12-89

✓

IIIC 01715-86
2 April 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with Subject

I 0167

1. On Sunday, 30 March 1986, Subject endeavored to contact me but I was away from home when the call came. Later in the afternoon, Adam called to state that he wished to relay to me a message from Subject. Adam stated that Subject would arrive here Thursday afternoon, that he would remain here during the day Friday, but would leave again for Europe either Friday evening or Saturday morning.

2. Adam stated that Subject wanted reassurance that the US side would not attempt to bypass him in dealing with his fellow countrymen. He stated that Subject would seek specific assurances during this visit.

3. Adam then stated that he felt it was unwise to try to eliminate Subject from the negotiations because of the hold that Subject has over the [redacted] The [redacted] according to Adam, reports all such direct contacts to Subject. Adam stated that he recognized Subject was not always truthful but that, with patience, the principal matter could be resolved by keeping Subject involved as originally envisioned. Adam stated that he intended to call Mr. Goode and would be explaining to him his views on the matter. In response to Adam's comments, I stated that my responsibility was to collect the facts, not to get involved in detailed strategy planning.

B

Charles E. Allen

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under provisions of E.O. [illegible]
by [illegible]

4224

CL BY [redacted]
DECL OADR

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499 / A 13

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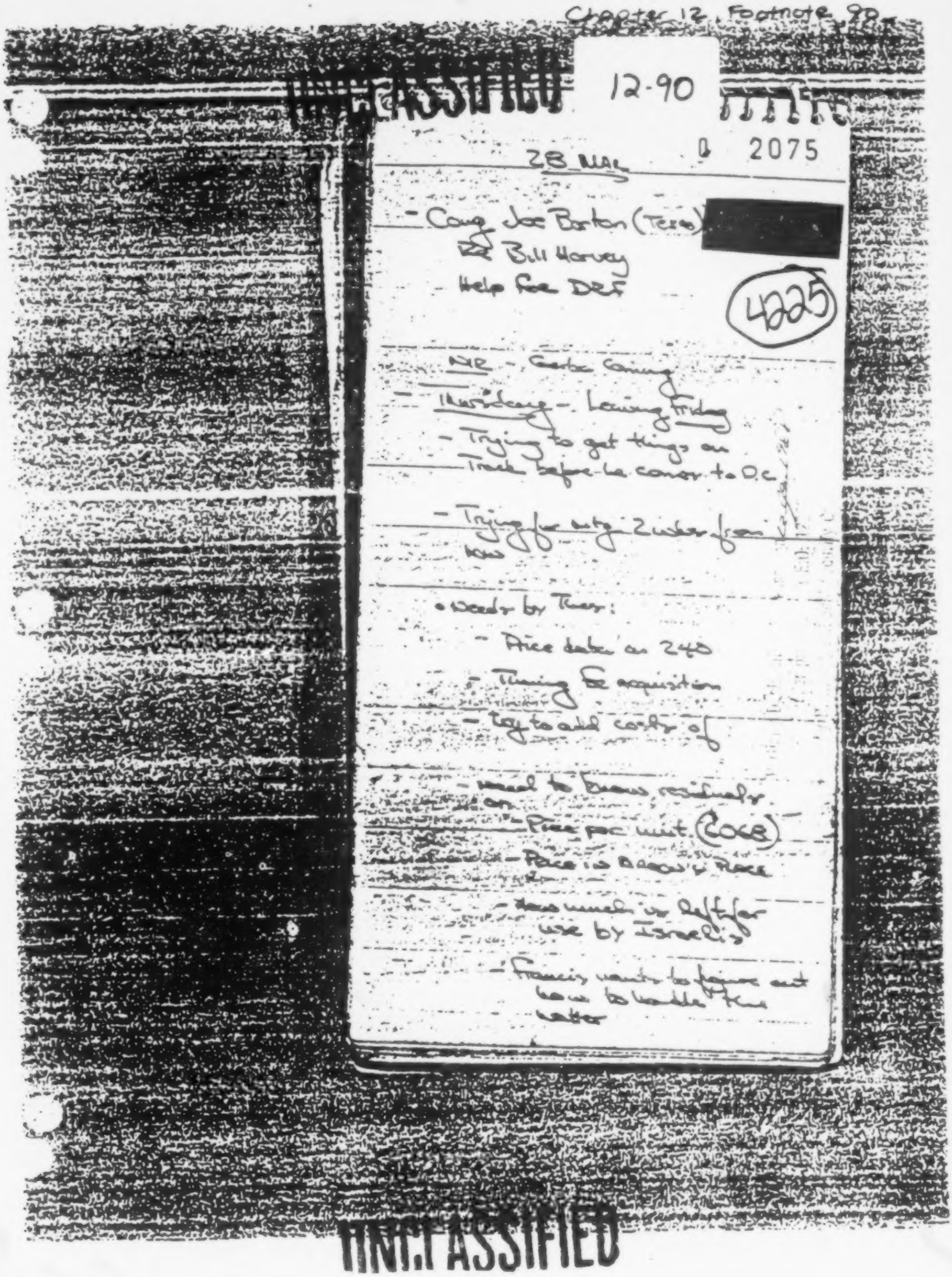
12-90



0 2075

28 MAR

- Cong Joe Barton (Texas) [redacted]
  Re Bill Harvey
  - Help for DEF

(4225)

NR - Gorba coming
- Thursday - Leaving Friday
  - Trying to get things on track before he comes to D.C.

  - Trying for mtg 2 weeks from now

- Needs by Tues:
  - Price data on 240
  - Timing for acquisition
  - try to add costs of

  - need to know residuals on
    - Price per unit (2068)
    - Price is Baron's Price

  - How much is left for use by Israelis

  - Francis wants to figure out how to handle this matter

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Date 14 JAN 1987

12-95

Ch 12 #9

Meeting [illegible] Gorba's [illegible]

1. One of key issues that came up which Gorba alleges made an lerstanding difficult was his missing reports to us. He said that he --d turned over to adam a two page farsi report which listed all the the iranian demands and what they were prepared to do. he wrote the frsiireport because he wanted to be sure that he got everything right. he said that he also wrote a five page reportin english which was more detailed. these were supposeded to have been sent via dhl along wh with the parts list. Goode x told gorba that all he got was the parts list. gorba said that he wrote the reports on the plane from TGehran. he gave the reports to adam in london who said that he would send them to us. there seems to be only two conclusions either the xx reports don't exist. in whihc case maybe adam and gorba are playing games with u.s, or the reports exist and after reading them , adam decided that the demands were too great and we would not agree to them, therefore he shortstopped the reports.

2. One of Gorba's most interesting offers was to offer u[redacted] passports for the trip. each one would cos[redacted] the passports would be genuine and the price includes a genuine drivers license and a bank account.

3. there was the problem of tne venue. Gorba said that they can not ~~xxxxxxxx~~ recieve us in kish. the ~~xx~~ problem is that the desalinizaion plant has borken down, the buldings have not been used since the revolution. Also, no planes have landed on the strip in two years. ~~he said that a meeting on kish would place great logistical problems on them in tehran.~~ NAte; in the last phone conversation between~~xxxxxx~~ [redacted] — E nd ibrahi[redacted] spoke of the meeting still being held in kish. we greed to consider possiblity of tehran, but wanted them to re-examine kish and bandar -abbas. we said that plane must be with us for commo. gorba said that would be no problem. we also said that we would

problably want to arrive in bandar abbas. for some reason, gorba insists that adam told him that we would be using[redacted]passports. we told him that this gave us some heartburn, but not to worry, we would take care of the documentation ~~if~~ even if it meant bein[redacted] gorba said that he will need some details on the plane, tail number registration etc. we told him it would be 707 and not traceble to ~~thexxx~~ to us. we will devise way of getting him the tail number.

4. we discussed the schedule in some detail. we proposed arriving about 7-8 days after the money is deposited. this would give us time to have the planed load ~~ox~~ spares positioned in europe. we then haggled for hours about what was included and what would be negotiated in tehran. we stuck to our position that once the release takes place we would order plane to launch and it should arrive in bandar abbas with 8 hours. it would then turn around and bring in the rest of the spares. we are tentavilye committed to dleiver the 3,000 volswagons about 10 days later. gorba pressed for new additions, the new batteries we said were no longer in inventoory. the radars we would discuss in theran as they would have to be shipped by ship anyway. gorba kept' insisting that we bring some of spares with us and we kept insisting that we wouldn't although a small sample is an option.

B

5. they agenda for the discussion with the other side in tehran will include syria,[redacted] and the soviet union. we will give him a short brief on the ussr on 4 april which he will convey to [redacted] and company

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in discussing the whol transaction we insisted that he had to play the
key role in making it all work. after long haggling , he agreed to pro
the schedule to [redacted] as outlined by us. we have got take a present, in
addition to korans, it might be a good idea to tack all the
spare parts for one unit with us. and present this as a present. we
told gorba to check with them about the availability of functioning
test and calibration equipment and the technical skill touse the
equipment. our observation is that they have not successfully fired
a hawk for some time and in fact have had numerous missfires.

6. possibly the best indication that we might be getting
somewhere is that towards the end, gorba began discussing his cut.
goode told him that he could add on whatever he thinks irght for his
cut to the final price. he said that he had spent 300,000 dollars
already to grease the skids etc. [redacted] it would appear that
he now feels that the deal is entering its final stages.

7. gorba stated that there is considerable pressure on the iranians
to do something because the time frame within which they can deliver ou
friends. they feel that fighting is going to break out between the
hizbullah and the syrian army at any time. grobs insists that Iranian
syrian relations are very bad at the moment and will definitely get wor
he claims that iran has stopped delivering oil to syria. believe he
aid that deliveries stopped about 34 days ago.

8. gorba claims that the iranian side is devoting considerable
time to this. the whole thing is being masterminded by rafsenjani beh
the scenes. if the transaction goes, the plan is to have khomieni
issue a fatwa against the taking of hostages. they also have a large nu
of people they wish us to brief. we must get him to discuss more of his
military contacts during his last trip. he warned us about the
primeminister who may be our primary senior contact. he said that he s
line m he represents do not like or trust us and we must be aware of th
at all times. he thought there was a chance that rafsenjani would at
some point put in an appearance, as he will be following everything cl
he on his own part will want us to meet with reps from the conservativ
line, particularly farisi.

9. it is still appraent that they have not given much thought to
how a continuing relationship will be maintained. gorba tried to answer
him but he was not able to cover up the basic truth that they hadn't
gone that far yet.

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C11N 0513 (page 2)

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Chapter 12, Footnote 98

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12-98

7 Dec

1745 - Call fr Nir Q 2096
- Merchant wants $1.5M from HAWKS
- Questioned costs of transportation
- Nir told Gorba that other transactions would pay for this cost
- Nir asked [redacted] for 1.5 for TOF
[redacted] offered .5 out of pocket
wants to know how SOB will

ISRAELI PROBS:
- GOODWILL
- REPAY 1.5 TO GORBA
- WANT TO HAVE TO PAY LESS PER

[redacted]
① Doesn't trust Merchant
thinks he lies
② can't finance on his own
③ [illegible]

- NIR VERY UPSET THAT ISRAEL MIGHT BE BE "CUT OUT" OF THE IRAN TRIP
VERY BAD BLOOD - IF CUT OUT

- IF THIS DEAL FAILS THEN ISRAEL WILL SELL HAWK PARTS TO IRANIANS

[redacted]

(4226)

374 C
378 A
952

UNCLASSIFIED

Chapter 12-102

N28835

(3) ~~TOP SECRET~~ UNCLASSIFIED SENSITIVE

RELEASE OF AMERICAN HOSTAGES IN BEIRUT

Background. In June 1985, private American and Israeli citizens commenced an operation to effect the release of the American hostages in Beirut in exchange for providing certain factions in Iran with U.S.-origin Israeli military materiel. By September, U.S. and Israeli Government officials became involved in this endeavor in order to ensure that the USG would:

-- not object to the Israeli transfer of embargoed materiel to Iran;

-- sell replacement items to Israel as replenishment for like items sold to Iran by Israel.

On September ~~14~~ 13, the Israeli Government, with the endorsement of the USG, transferred 508 basic TOW missiles to Iran. Forty-eight hours later, Reverend Benjamin Weir was released in Beirut.

Subsequent efforts by both governments to continue this process have met with frustration due to the need to communicate our intentions through an Iranian expatriate arms dealer in Europe. In January 1986, under the provisions of a new Covert Action Finding, the USG demanded a meeting with responsible Iranian government officials.

On February 20, a U.S. Government official met with [redacted] -- the first direct U.S.-Iranian contact in over five years. At this meeting, the U.S. side made an effort to refocus Iranian attention on the threat posed by the Soviet Union and the need to establish a longer term relationship between our two countries based on more than arms transactions. It was emphasized that the hostage issue was a "hurdle" which must be crossed before this improved relationship could prosper. During the meeting, it also became apparent that our conditions/demands had not been accurately transmitted to the Iranian Government by the intermediary and it was agreed that:

-- The USG would establish its good faith and bona fides by immediately providing 1,000 TOW missiles for sale to Iran. This transaction was covertly completed on February 21, using a private U.S. firm and the Israelis as intermediaries.

-- A subsequent meeting would be held in Iran with senior U.S and Iranian officials during which the U.S. hostages would be released.

-- Immediately after the hostages were safely in our hands, the U.S. would sell an additional 3,000 TOW missiles to Iran using the same procedures employed during the September 1985 transfer.

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by B. Reger, National Security Council

Radzimski
2
4/29/87 RH III

JL-134

~~TOP SECRET~~ UNCLASSIFIED SENSITIVE

In early March, the Iranian expatriate intermediary demanded that Iranian conditions for release of the hostages now included the prior sale of 200 PHOENIX missiles and an unspecified number of HARPOON missiles, in addition to the 3,000 TOWs which would be delivered after the hostages were released. A subsequent meeting was held with the intermediary in Paris on March 8, wherein it was explained that the requirement for prior deliveries violated the understandings reached in Frankfurt on February 20, and were therefore unacceptable. It was further noted that the Iranian aircraft and ship launchers for these missiles were in such disrepair that the missiles could not be launched even if provided.

From March 9 until March 30, there was no further effort undertaken on our behalf to contact the Iranian Government or the intermediary. On March 26, [redacted] made an unsolicited call to the phone-drop in Maryland which we had established for this purpose. [redacted] asked why we had not been in contact and urged that we proceed expeditiously since the situation in Beirut was deteriorating rapidly. He was informed by our Parsi-speaking interpreter that the conditions requiring additional materiel beyond the 3,000 TOWs were unacceptable and that we could in no case provide anything else prior to the release of our hostages. [redacted] observed that we were correct in our assessment of their inability to use PHOENIX and HARPOON missiles and that the most urgent requirement that Iran had was to place their current HAWK missile inventory in working condition. In a subsequent phone call, we agreed to discuss this matter with him and he indicated that he would prepare an inventory of parts required to make their HAWK systems operational. This parts list was received on March 28, and verified by CIA.

Current Situation. On April 3, Ari Gorbanifahr, the Iranian intermediary, arrived in Washington, D.C. with instructions from [redacted] to consummate final arrangements for the return of the hostages. Gorbanifahr was reportedly enfranchised to negotiate the types, quantities, and delivery procedures for materiel the U.S. would sell to Iran through Israel. The meeting lasted nearly all night on April 3-4, and involved numerous calls to Tehran. [redacted] A Parsi-speaking CIA officer in attendance was able to verify the substance of his calls to Tehran during the meeting. Subject to Presidential approval, it was agreed to proceed as follows:

-- By Monday, April 7, the Iranian Government will transfer $17 million to an Israeli account in Switzerland. The Israelis will, in turn, transfer to a private U.S. corporation account in Switzerland the sum of $15 million.

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[illegible]

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-- On Tuesday, April 8 (or as soon as the transactions are verified), the private U.S. corporation will transfer $3.651 million to a CIA account in Switzerland. CIA will then transfer this sum to a covert Department of the Army account in the U.S.

-- On Wednesday, April 9, the CIA will commence procuring $3.651 million worth of HAWK missile parts (240 separate line items) and transferring these parts to [redacted] This process is estimated to take seven working days.

-- On Friday, April 18, a private U.S. aircraft (707B) will pick-up the HAWK missile parts at [redacted] and fly them to a covert Israeli airfield for prepositioning (this field was used for the earlier delivery of the 1000 TOWs). At this field, the parts will be transferred to an Israeli Defense Forces' (IDF) aircraft with false markings. A SATCOM capability will be positioned at this location.

-- On Saturday, April 19, McFarlane, North, Teicher, Cave, [redacted] and a SATCOM communicator will board a CIA aircraft in Frankfurt, Germany, enroute to Tehran. [redacted]

-- On Sunday, April 20, the following series of events will occur:

  - U.S. party arrives Tehran (A-hour) -- met by Rafsanjani, as head of the Iranian delegation.

  - At A+7 hours, the U.S. hostages will be released in Beirut.

  - At A+15 hours, the IDF aircraft with the HAWK missile parts aboard will land at Bandar Abbas, Iran.

Discussion. The following points are relevant to this transaction, the discussions in Iran, and the establishment of a broader relationship between the United States and Iran:

-- The Iranians have been told that our presence in Iran is a "holy commitment" on the part of the USG that we are sincere and can be trusted. There is great distrust of the U.S. among the various Iranian parties involved. Without our presence on the ground in Iran, they will not believe that we will fulfill our end of the bargain after the hostages are released.

UNCLASSIFIED

-- [redacted] Gorbanifahr specifically mentioned that Qhadhaffi's efforts to "buy" the hostages could succeed in the near future. Further, the Iranians are well aware that the situation in Beirut is deteriorating rapidly and that the ability of the IRGC to effect the release of the hostages will become increasingly more difficult over time.

-- We have convinced the Iranians of a significant near term and long range threat from the Soviet Union. We have real and deceptive intelligence to demonstrate this threat during the visit. They have expressed considerable interest in this matter as part of the longer term relationship.

-- [redacted]

Sandinistas

-- The Iranians have been told that their provision of assistance to Nicaragua is unacceptable to us and they have agreed to discuss this matter in Tehran.

-- We have further indicated to the Iranians that we wish to discuss steps leading to a cessation of hostilities between Iran and Iraq. [redacted]

-- The Iranians are well aware that their most immediate needs are for technical assistance in maintaining their air force and navy. We should expect that they will raise this issue during the discussions in Tehran. Further conversation with Gorbanifahr on April 4, indicates that they will want to raise the matter of the original 3,000 TOWs as a significant deterrent to a potential Soviet move against Iran. They have also suggested that, if agreement is reached to provide the TOWs, [redacted]

-- The Iranians have been told and agreed that they will receive neither blame nor credit for the seizure/release of the hostages. [redacted]

UNCLASSIFIED

[illegible]

UNCLASSIFIED

-- The residual funds from this transaction are allocated as follows:

  - $2 million will be used to purchase replacement TOWs for the original 508 sold by Israel to Iran for the release of Benjamin Weir. This is the only way that we have found to meet our commitment to replenish these stocks.

  - $12 million will be used to purchase critically needed supplies for the Nicaraguan Democratic Resistance Forces. This materiel is essential to cover shortages in resistance inventories resulting from their current offensives and Sandinista counter-attacks and to "bridge" the period between now and when Congressionally-approved lethal assistance (beyond the $25 million in "defensive" arms) can be delivered.

The ultimate objective in the trip to Tehran is to commence the process of improving U.S.-Iranian relations. Both sides are aware that the Iran-Iraq War is a major factor that must be discussed. We should not, however, view this meeting as a session which will result in immediate Iranian agreement to proceed with a settlement with Iraq. Rather, this meeting, the first high-level U.S.-Iranian contact in five years, should be seen as a chance to move in this direction. These discussions, as well as follow-on talks, should be governed by the Terms of Reference (TOR) (Tab A) with the recognition that this is, hopefully, the first of many meetings and that the hostage issue, once behind us, improves the opportunities for this relationship.

Finally, we should recognize that the Iranians will undoubtedly want to discuss additional arms and commercial transactions as "quids" for accommodating [redacted] Nicaragua, and Iraq. Our emphasis on the Soviet military and subversive threat, a useful mechanism in bringing them to agreement on the hostage issue, has also served to increase their desire for means to protect themselves against/deter the Soviets.

RECOMMENDATION

That the President approve the structure depicted above under "Current Situation" and the Terms of Reference at Tab A.

Approve _____ Disapprove _____

Attachment
Tab A - U.S.-Iranian Terms of Reference

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12-105

Chapter 12, Footnote 105

PAGE

FILE: NOTE [redacted] AD WHITE HOUSE COMMUNICATIONS AGENCY 04/08/86 09:40:53

UNCLASSIFIED

MSG FROM: NSJMP --CPUA TO: NSOLN --CPUA
To: NSOLN --CPUA

*** Reply to note of 04/08/86 09:37 -- ~~SECRET~~ --

N 12131

NOTE FROM: JOHN POINDEXTER
Subject: PRIVATE BLANK CHECK
I WILL TALK TO VP ABOUT STOPPING IN HONDURAS ON THE WAY BACK. I THINK WE HAVE
TO SEND SOMEBODY TO COSTA RICA BUT IT DOESN'T HAVE TO BE VP.

04/07/86 23:10:58
PRIVATE BLANK CHECK
MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA
To: NSJMP --CPUA

*** Reply to note of 04/07/86 21:28

-- ~~SECRET~~ --

NOTE FROM: OLIVER NORTH
Subject: What's going on?
Met last week w/ Gorba to finalize arrangements for a mtg in Iran and release
of hostages on or about 19 Apr. This was based on word that he had to deposit
not less than $15M in appropriate acct. by close of banking tomorrow.

Have talked at length w/ Nir who is handling him on this back side and
Nir believes that Gorba may be having trouble closing the final arrangements
back home. Per request of JMP have prepared a paper for our boss which lays
out arrangements. Gorba indicated that yr counterpart in the T. mtg wd be
Rafsanjani. If all this comes to pass it shd be one hell of a show.

Bottom line: believe you shd avail
yrself of this paper @ yr earliest convenience. Wd like to see you anyway. Am
going home -- if I remember the way. Warm regards, North
What's going on?

[redacted]

[redacted]

[redacted]

[redacted]

[redacted] --

[redacted]

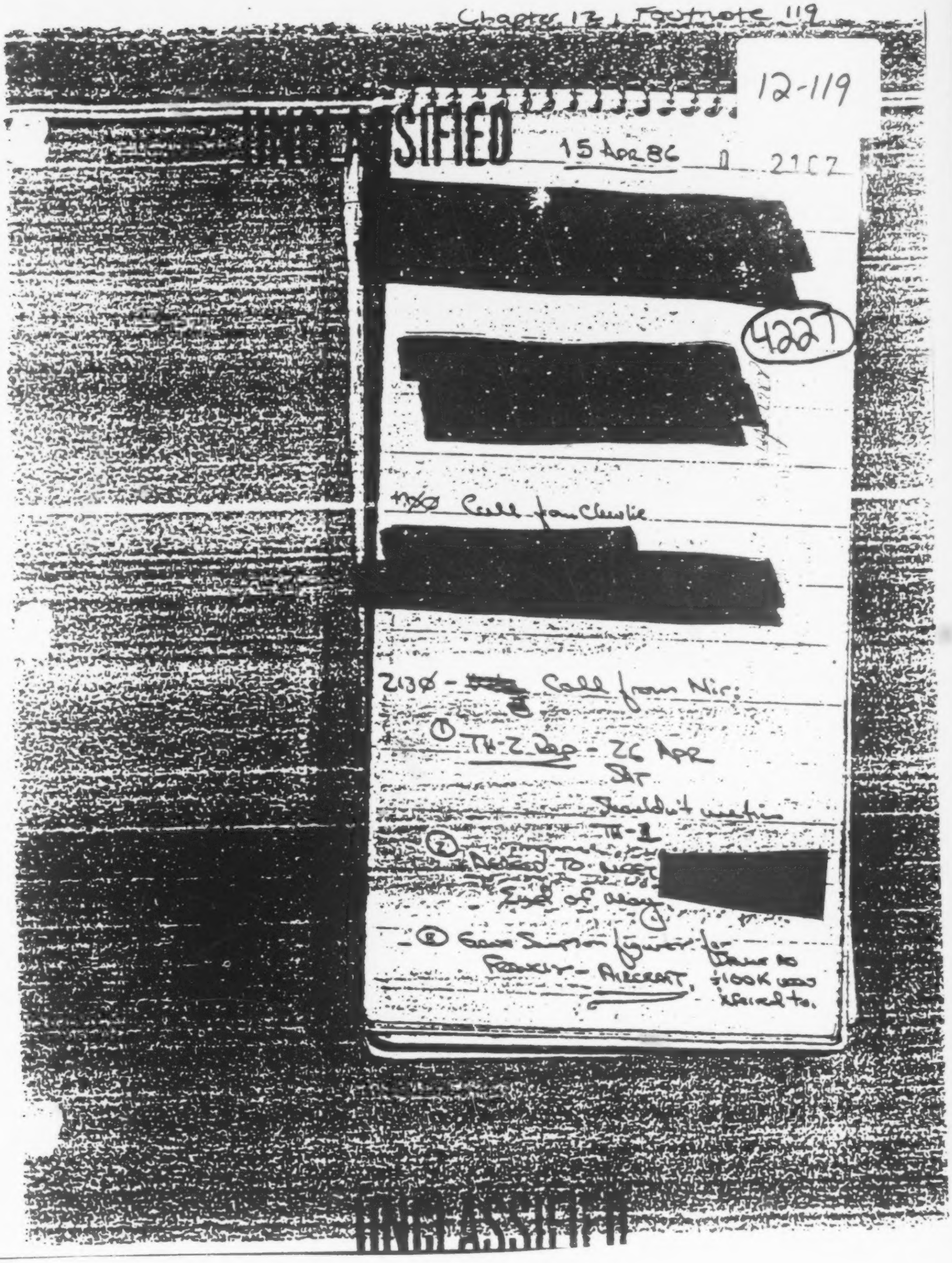
NP

5/6/87

UNCLASSIFIED

424

Chapter 12, Footnote 119



12-119

UNCLASSIFIED

15 Apr 86

2107

[redacted]

4227

[redacted]

1700 Call from Charlie

[redacted]

2130 - ~~[illegible]~~ Call from Nir:

① TH-2 Dep - 26 Apr
Sat
Shouldn't use fin
TH-1

② Agreed to meet [redacted]
End of day

③ Gave Simpson figures for
Proxy - AIRCRAFT. Lease to
$100K was
agreed to.

UNCLASSIFIED

Chapter 12
Footnote 125

UNCLASSIFIED

Do NOT RETRO

NIC 01937-86
16 April 1986

12-125

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with Subject

1. Subject called again on 14 April to state that he was at a restaurant near his hotel because he was convinced the British were conducting electronic surveillance of his room.

2. Subject stated that after his last trip to Tehran, he had prepared a report in Farsi that set forth Iran's understanding of the agreement being worked out with the US. He said he gave this report to Adam who in turn was to turn it over to Mr. Goode. In the statement (which has never been received by Mr. Goode), the Iranian elements working on the agreement identified four issues to be discussed with the Americans: (1) the threat from the Soviets in the north; (2) [redacted] (3) the increasing pressure by the Syrians upon the Lebanese Hizballah; and (4) discussion of ways to develop a long-term relationship between the US and Iran. Subject expressed regret the US side did not have this document in its original Farsi.

3. Subject claimed that he had told the [redacted] that the US delegation might travel utilizing [redacted] passports to Tehran. He told Tehran that the delegation, including the air crew, would total 10-11 individuals. Subject also told the [redacted] the Americans would come in their own plane and that the delegation would be headed by Robert. Subject claimed that he also told the [redacted] that the US would not deliver the Hawk spare parts or discuss any substantive issues until the hostages were released. According to Subject, he emphasized to the [redacted] that all the hostages must be released as soon as the Americans arrived.

4. According to Subject, the [redacted] stated his side would be willing to meet with the Americans and he wanted to know if Robert would be carrying a message from the US President to the President of Iran and if a similar Presidential message would be prepared for delivery to the Prime Minister. Subject also stated that the [redacted] expected that another letter would be brought by the Americans from the Speaker of the House or head of the US Senate. If these types of formal documentation arrive with the American delegation, the events can proceed and Robert will be permitted to meet with three top officials in Iran (presumably Rafsanjani, Prime Minister Mir Hossein Musavi, and President Khamenei).

CL BY [redacted]
DECL OADR

1401

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by B. Reger, National Security

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[illegible]ACT/ORCON

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5. Subject stated that the [redacted] understood that the Americans would arrive and return in their own aircraft and noted that the Americans would stay at the guest houses of the Iranian President. If necessary, the [redacted] stated they could close one of the large hotels in order to accommodate the American party. The hotel would have to be totally closed to guests, according to Subject, because the [redacted] wished to hide the fact of the American presence.

6. Subject stated that the [redacted] has proposed the following arrangements: (1) the Americans arrive; (2) one hostage is released; (3) one-half of the Hawk missile spare parts will arrive, approximately 10-12 hours after the release of the first hostage; (4) as the negotiations proceed over the following four to five days, the other four hostages will be released. According to Subject, the [redacted] explained that it would be difficult for Iran to force the Lebanese Shiite to release all the hostages at once because the Lebanese Shiite would find such an arrangement "fishy" and would not trust the Americans to come through with their side of their agreement—especially if all hostages were released at the outset.

7. The [redacted] according to Subject, stated that the framework for these discussions had been established and that the arrangements proposed above have been fully approved by the Iranian side. The [redacted] described the release of the first hostage upon the arrival of the American delegation as a "gesture of good will." He assured Subject that the other hostages would be freed if negotiations "successfully" proceeded with the US delegation.

8. Subject told me that he recommended Mr. Goode reject this approach and that I call him back on 15 April to inform him (Subject) that the sequence of events proposed by the Australian were unacceptable. Subject stated that a small "miracle" has been achieved in getting the Line Two group to accept any release of the hostages but asserted that Prime Minister Musavi is a problem and a real obstacle to a final agreement. He noted, however, that Musavi believes the US is "taking advantage of Iran." Nonetheless, Subject's advice was that the US be very tough and authorize him to tell the [redacted] outright that the US cannot accept the [redacted] proposal. Subject stated that with proper backing from Mr. Goode, that he can successfully pressure the [redacted] and Prime Minister to agree to adhere to the original understanding. Subject stated that he would work with [redacted] and other Line One supporters to force the issue. He stated that this also would be the most propitious route to pursue as the Prime Minister is a most untrustworthy and dangerous individual.

9. Subject stated that the money for the spare parts will begin moving on 15 April. As a final statement, Subject noted that the US should make it clear to Adam that we find the [redacted] sequence of events unacceptable. I assured Subject that I would call him back on 15 April.

Charles E. Allen

UNCLASSIFIED

SECRET/NOFORN/NOCONTRACT/ORCON

DOCUMENT UNAVAILABLE.

Chapter 12, Footnote 127

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UNCLASSIFIED

From: NSJMP --CPUA Date and time 04/16/86 19:02:42
To: NSOLN --CPUA

N 9212

*** Reply to note of 04/16/86 16:40

-- ~~SECRET~~ --

NOTE FROM: JOHN POINDEXTER
Subject: PRIVATE BLANK CHECK
You may go ahead and go, but I want several points made clear to them. There are not to be any parts delivered until all the hostages are free in accordance with the plan that you layed out for me before. None of this half shipment before any are released crap. It is either all or nothing. Also you may tell them that the President is getting very annoyed at their continual stalling. He will not agree to any more changes in the plan. Either they agree finally on the arrangements that have been discussed or we are going to permanently cut off all contact. If they really want to save their asses from the Soviets, they should get on board. I am beginning to suspect that doesn't have much authority.

cc: NSPBT --CPUA PAUL THOMPSON

[illegible] 5/6/87
[illegible] E.O. 12356
[illegible] Security Council

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426

[redacted]

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Chapter 12
Footnote 128

N 17749

FILE: PROF [redacted] AA WHITE HOUSE COMMUNICATIONS AGENCY PAGE 952

[redacted]

[redacted]

MSG FROM: NSJMP --CPUA TO: NSDCR --CPUA 09/22/86 10:08:20
To: NSDCR --CPUA DON FORTIER

-- ~~SECRET~~ --

NOTE FROM: JOHN POINDEXTER
Subject: UPDATE FOR DON ON IRAN
Here is the update as discussed on Saturday. wants all of the Hawk parts delivered before the hostages are released. I have told Ollie that we can not do that. The sequence has to be 1) meeting; 2) release of hostages; 3) delivery of Hawk parts. The President is getting quite discouraged by this effort.

This will be our last attempt to make a deal with the Iranians. Next step is a Frankfurt meeting with Gorba, North and Cave. Sorry for the uncertainty.

*** Forwarding note from NSOLN --CPUA 09/21/86 20:31 ***
To: NSJMP --CPUA

*** Reply to note of 09/21/86 14:40

-- ~~SECRET~~ --

NOTE FROM: OLIVER NORTH
Subject: UPDATE FOR DON ON IRAN
Current situation: Both Charlie Allen and [illegible] have been in touch w/ Gorba in an effort to set up a meeting with in Europe. We know that is apparently trying to extract additional concessions from us

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by B. Reger, National Security Council

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434

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12-129

Chapter 12, Footnote 129

[redacted]

UNCLASSIFIED

N 17754

PAGE 179

FILE: [illegible] [redacted] [illegible] WHITE HOUSE [illegible]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

MSG FROM: [redacted] --CPUA TO: NSJMP --CPUA [illegible]/22/86 19:04:51
To: NSJMP --CPUA

*** Reply to note of [illegible]/22/86 18:50

-- ~~SECRET~~ --

⑬

NOTE FROM: ROBERT MCFARLANE
Subject: UPDATE FOR [illegible] ON 1900
Reply: standing by.
/ UPDATE FOR [illegible] ON 1900
MSG FROM: [illegible] --CPUA TO: [illegible] --CPUA [illegible]/22/86 20:11:20
To: NSJMP --CPUA

*** Reply to note of [illegible]/22/86 19:40

-- ~~SECRET~~ --

⑫

NOTE FROM: ROBERT MCFARLANE
Subject: UPDATE FOR [illegible] ON 1900
Roger John. Your tireless [illegible] the [illegible] attempts to up the ante [illegible]
[illegible]. I will be flexible.
[illegible] them [illegible]; they will [illegible]
UPDATE FOR [illegible] ON 1900

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

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by [illegible] National Security Council

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4399

Chapter 12
footnote 130

UNCLASSIFIED UNCLASSIFIED

N 857

Copp: 4/21/86 1635

12-130

212045Z Apr 86.

1. I talked to Adam this a.m. He quite pessimistic re Gorba[redacted] cabal. He know time is nearly over. I agreed to transfer 185K to his acct Tuesday to satisfy IAF bill -- there is still the matter of about 25K in cash to be resolved. IAF total bill is 250K -- a real rip off.

2. Standing by for info on ship procurement, go or no go. I have Tom in the linemans crouch.

3. Current obligations over next few weeks nearly wipe us out except for CD. Big ticket items are 822K plus 185K to Adam, D. Walker 110K, 57K to Sat for drop to Blacky, 200K insurance fund, O and M 600K, 100K to defex-balance of 9 Apr 707 shipment. Bottomline is that ship buy plus BP buy can be accomplished only by using CD funds. Ship costs of course can be recovered.

4. Now that we have Euc, [redacted] much more confident and says we should get pricing tomorrow. If you find work, send money. Rgds, Dick. BT

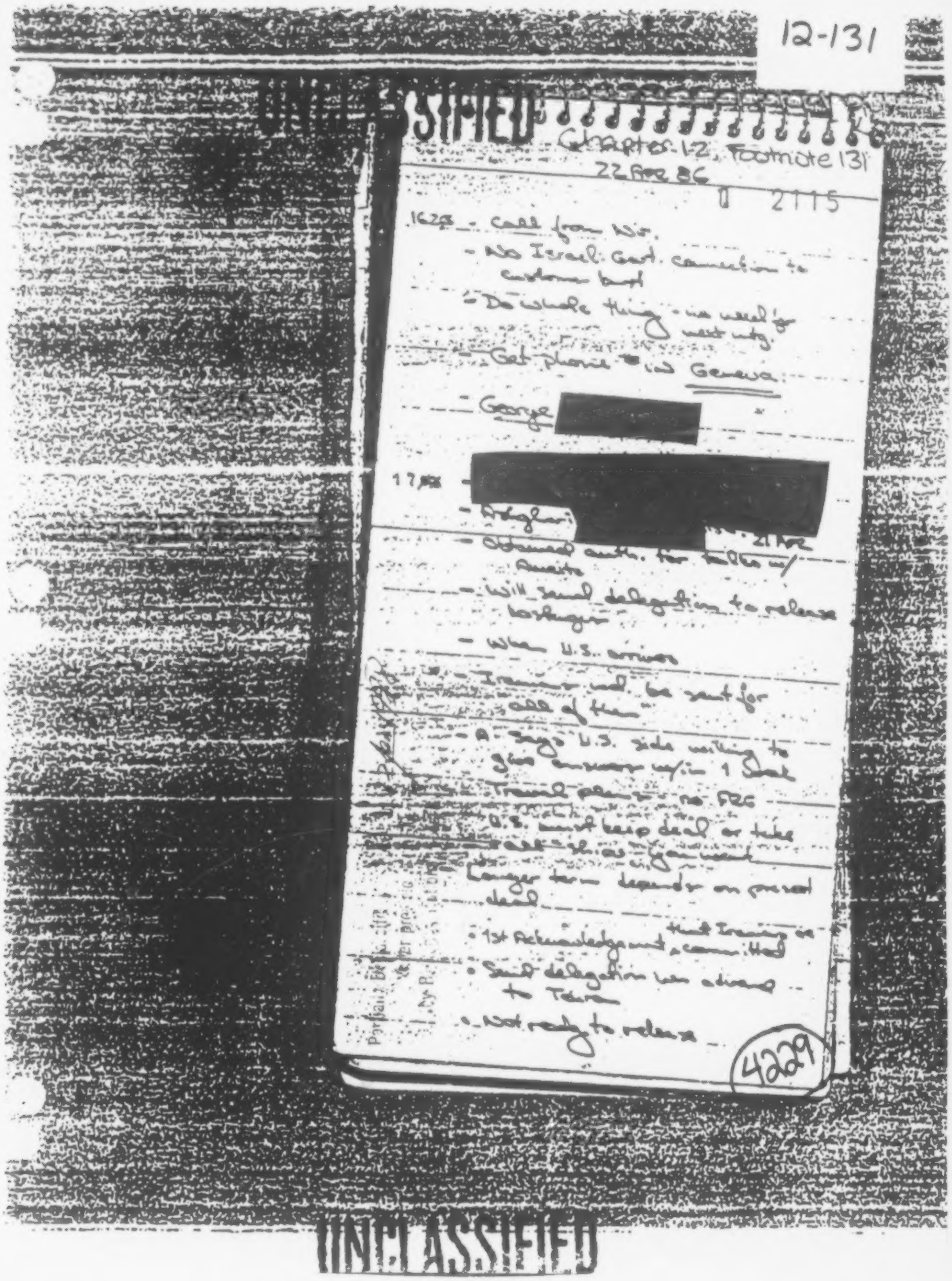
12 Jan 1988

UNCLASSIFIED UNCLASSIFIED

4228

12-131

UNCLASSIFIED



Chapter 12, Footnote 131

22 Apr 86

0 2115

1625 - Call from Nir.
- No Israeli Govt. connection to customs bust
- Do whole thing - we need for next mtg.
- Get phone # in Geneva
- George [redacted]

1700 - [redacted]
- Ghorban 21 Apr
- Obtained auth. for talks w/ Americans
- Will send delegation to release hostages
- When U.S. arrives
- Iranians will be sent for all of them
- Gh says U.S. side willing to give answers w/in 1 week
- Travel plans - no FRG
- U.S. must keep deal or take all of it as you want

Longer term - depends on present deal
- 1st acknowledgement that Iranians are committed
- Sent delegation w/ advance to Tehran
- Not ready to release

4229

UNCLASSIFIED

Chapter 12, Footnote 132

UNCLASSIFIED [redacted]

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by B. Reger, National Security Council

FILE: APR06 [redacted] WHITE HOUSE COMMUNICATIONS AGENCY PAGE

*** Reply to note of 04/29/86 19:46

NOTE FROM: JOHN POINDEXTER -- [illegible] --
Subject: PRIVATE BLANK CHECK
Don said you were going to call me secure today. I will discuss with President
today and talk with you when you call Wed morning your time.
9 PRIVATE BLANK CHECK
MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA
To: NSJMP --CPUA
04/29/86 19:46:06

*** Reply to note of 08/31/85 13:26

NOTE FROM: OLIVER NORTH -- [illegible]
Subject: PRIVATE BLANK CHECK
We are seeing increasing evidence of Libyan efforts [redacted] and
other signs of increasing disarray inside Lebanon. Further, there is increasing
indication of seepage around the edge of our hostage project. Bottom line:
[redacted] knows this and wants to proceed quickly with a release. [redacted]
does indeed have the requisite authorities
to bring this all to a conclusion. We are, at this point concerned only that
he may be unable to proceed because of the two radars issue and that the
timing of their delegation to Beirut should be such that the delegation is
already there by the time we arrive in Tehran - and that they not wait to
dispatch it until we arrive. Casey and company believe that we have made too
big a deal over the radars issue noting that they were proposed with the
original parts list and we should not be treating them as separate items. They
note that no one else sees them as such and that I should not have presented
them as separate items. They believe that we can order them up from the normal
logistics acquisition process that they have established with the Army and
that they will simply be delivered as they are made available. In any event -
all here agree that Cave, North and Nir ought to go to meet w/ [redacted]
Agency has prepared foreign Documents as necessary. If you approve, we wd
depart There Befor commercial to Frankfurt then to Tehran on Friday via
private jet [redacted] If you do not believe that we can proceed with the
radars I will try to convince them to take what we have in terms of parts and
if necessary some of the TOWs as acceptable alternatives. We know [redacted] that
[redacted] that Gorba has tried, unsuccessfully to date, to convince
this is the preferred course of action. [illegible]s, North
PRIVATE BLANK CHECK

UNCLASSIFIED

12-132

1443

JMP 9/215/13

UNCLASSIFIED

Chapter 12, Footnote 133

12-133

NIC 02238-86
5 May 1986

MEMORANDUM FOR THE RECORD

I 0170

SUBJECT: Discussion with Adam

1. At the request of Mr. Goode, I called Adam at his home on the afternoon of 2 May. Adam stated that he had talked with Subject in some detail the previous day about the proposed trip of the American delegation to Point Tango. Adam stated that he had bluntly informed Subject that the trip involving the Americans would not take place. He claimed that he told Subject that a preliminary meeting was not required if the [redacted] clearly understands what terms are acceptable to the American side.

2. Adam stated that he personally was not "too happy" about cancellation of the preliminary meeting. In his opinion the preliminary meeting would have been one way to have complete assurance that both sides were in agreement on the terms of the arrangements. Adam stated that he understood, however, that Mr. Goode's boss was adamant that the Americans would not go to Point Tango for the preliminary meeting.

3. Adam stated that Subject was to call the [redacted] on 1 May to determine again whether the terms of the arrangements were fully understood. If the [redacted] agreed to the terms, then Subject would be willing to begin moving the of money. According to Adam, Subject is thinking of making a deposit on Monday, 5 May. In Adam's view this was an auspicious development because Subject would not move funds unless he had assurance that both sides were now in agreement as to the terms of the arrangement. He noted that Subject stood to lose a lot of his own personal finances if anything goes awry once the deposit is made.

4. Adam stated that Subject had arranged for a private jet to take the American delegation to Point Tango on 3 May. In Adam's view, Subject might take the aircraft instead and go on to Point Tango in order to finalize arrangements with the [redacted] Adam stated that he should know something definitive late Saturday or early Sunday (4 May), assuming Subject makes a quick trip to Point Tango.

12 Jan 1988

Charles E. Allen

4230

CL BY [redacted]
DECL OADR

UNCLASSIFIED

[illegible]

Chapter 12
Footnote 134

UNCLASSIFIED ACT/ORCON.
ation

12-134

The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC 02244-86
5 May 1986

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: Deputy Director for Operations

FROM: Charles E. Allen
National Intelligence Officer for Counterterrorism

SUBJECT: Comments on the Ghorbanifar Operation

1. [redacted] the White House initiative to secure release of American hostages in Lebanon remains dead in the water. We surmise [redacted] that [redacted] is unable to provide the assurances and to make the arrangements demanded by our side. Ghorbanifar has not deposited the funds necessary to move the spare parts.

2. We believe that the Iranian Government has not been able to convince the holders of the hostages to release them to Iranian custody. [redacted] Ghorbanifar's failure to deposit the necessary funds indicates that he has doubts about [redacted]'s ability to obtain the release of the hostages. Ghorbanifar is in a bind and he know that once he deposits the money he cannot get it back. He also is aware that we have insisted that the spare parts will delivered eight hours after the release of the hostages and only after the release of the hostages.

3. [redacted]

4. [redacted]

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by B. Reger, National Security Council

Charles E. Allen
Charles E. Allen

1402

CL BY [redacted]
DECL OADR

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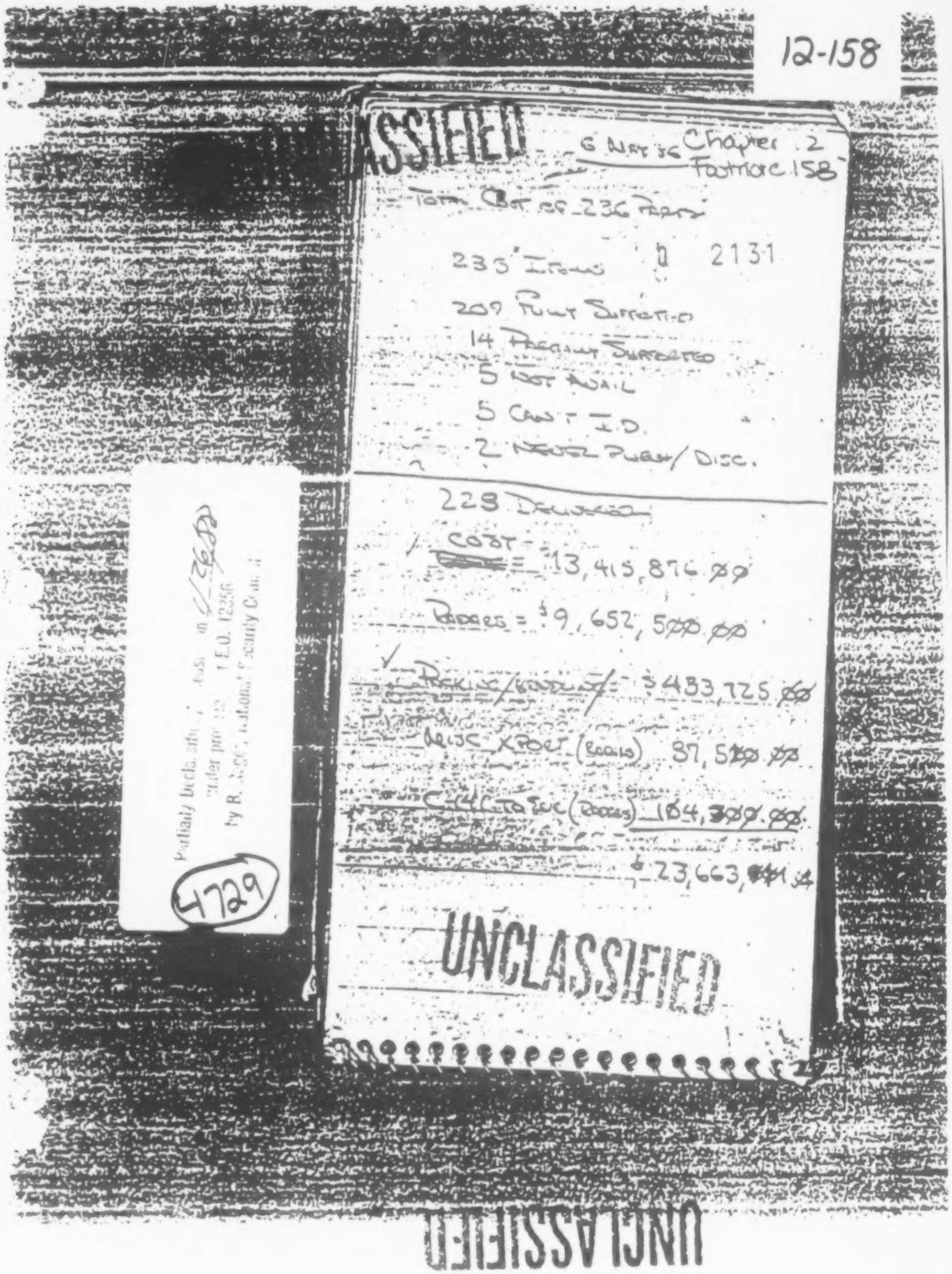
[illegible]

12-158



UNCLASSIFIED

6 Nov 86 Chapter 2
Footnote 158

Total Cost of 236 Parts

235 Items 2131

207 Fully Supported
14 Partially Supported
5 Not Avail
5 Can't I.D.
2 Never Purch/Disc.

---

228 Delivered

✓ Cost = 13,415,876.00

Radars = $9,652,500.00

✓ Packing/Handling = $433,725.00

Misc Xport (Radars) 87,500.00

CIA to Svc (Radars) 164,300.00

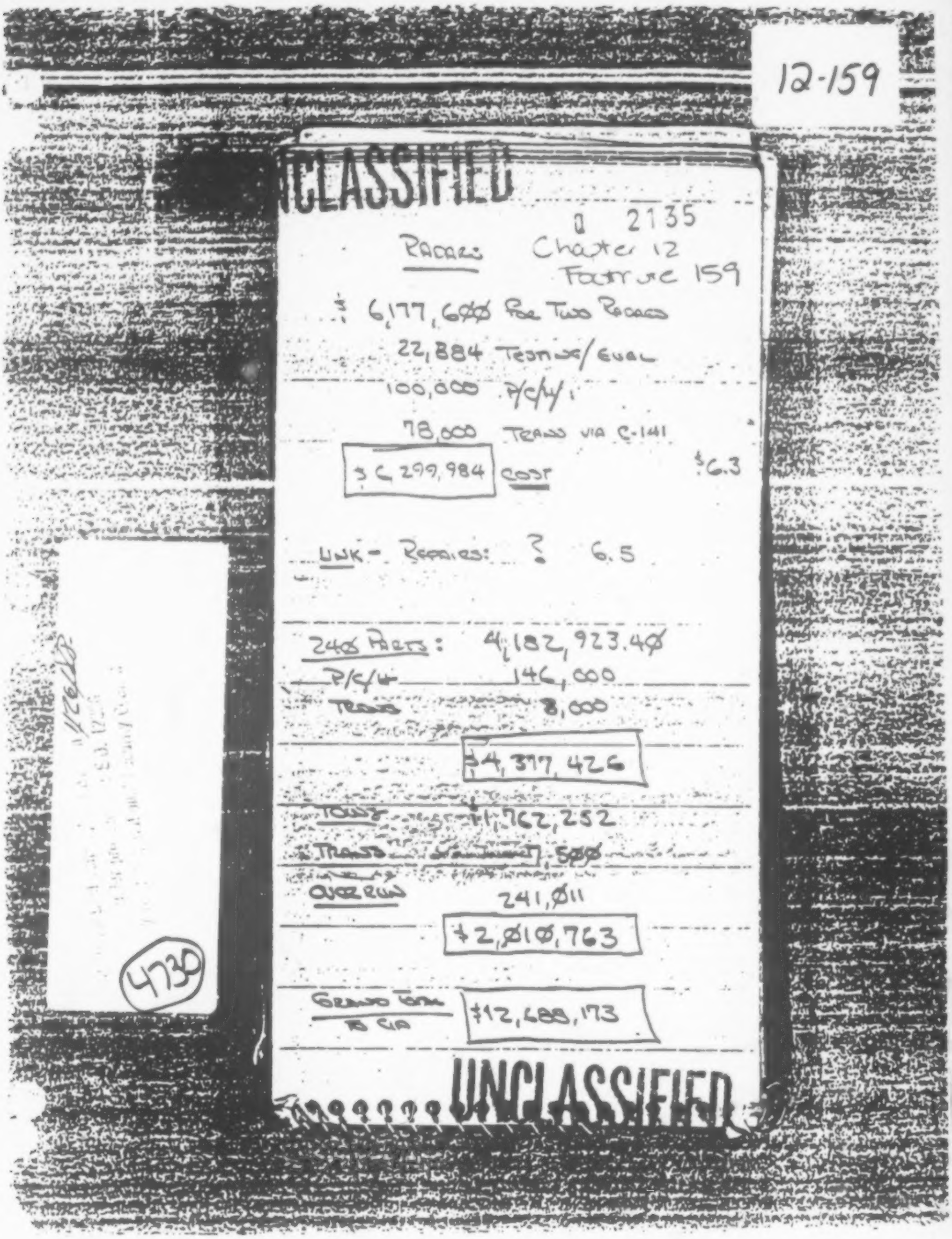
$23,663,[illegible]

UNCLASSIFIED

Partially Declassified/Released on 1/26/88 under provisions of E.O. 12356 by R. [illegible], National Security Council

4729

UNCLASSIFIED



12-159

UNCLASSIFIED

2135

RADARS Chapter 12
Footnote 159

$ 6,177,600 For Two Radars
22,884 Testing/Eval
100,000 P/C/H/
78,000 Trans via C-141
$ 6,299,984 COST $6.3

UNK - Repairs: ? 6.5

2400 Parts: 4,182,923.40
P/C/H 146,000
Trans 8,000
$4,377,426

Tows $1,762,252
Trans [illegible],500
Overrun 241,011
$2,010,763

Grand Total
to CIA
$12,688,173

UNCLASSIFIED

4730

~~SECRET~~ [redacted]ASSIFIED

Chapter 12
Footnote 163

NOTE FROM: JOHN POINDEXTER
Subject: Iran
GOOD WORK. LET'S DISCUSS AT LUNCH.
 - Iran
MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA 05/08/86 08:07:46
To: NSJMP --CPUA

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under provisions of E.O. 12356
by N. Reger, National Security Council

*** Reply to note of 05/06/86 00:55

-- ~~SECRET~~ --

NOTE FROM: OLIVER NORTH
Subject: Iran
Done. I believe we have succeeded. Deposit being made tomorrow (today is a bank holiday in Switzerland). Release of hostages set for week of 19 May in sequence you have specified. Specific date to be determined by how quickly we can assemble requisite parts. Thank God - He answers prayers. V/R, North
 Iran
MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA 05/08/86 08:02:59
To: NSJMP --CPUA

*** Reply to note of 05/06/86 01:00

-- ~~SECRET~~ --

(1457) 23 & 24

JMP 9/277 (23 & 24)

NOTE FROM: OLIVER NORTH
Subject: CONTRA PROJECT
Yes, in general terms. He is supportive, as is Elliott. It is, to say the least, a high risk option - but it may be the only way we can ever get this thing to work. It is also important for you to know that [redacted] sent his [redacted] to see me with the following offer: The Israelis wd be willing to put 20-50 Spanish speaking military trainers/advisors into the DRF if we want this to happen. They wd do this in concert with an Israeli plan to sell the [redacted] fighter to Honduras as a replacement for the 20 yr old [redacted]

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UNCLASSIFIED

Chapter 12
Footnote 164

Non-Log

~~TOP SECRET~~

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

N 1255

May 9, 1986

~~TOP SECRET~~

SENSITIVE

12-164

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with DDO

CIA Employee

North and Earl met with Claire George, Burt Dunn, [redacted] George Cave, and [redacted] to review status of the project. Claire had some basic questions:

1. What should the role of the Israelis be in this? Their aircraft or ours?

2. What is our overall strategy? What do we want at the end of it (i.e., beyond return of the hostages)?

3. [redacted]

North answered the first question by relating the substance of his conversation with the Israelis in New York last night. The Israelis want to be there and have offered two 707s. North pointed out that the Israelis provide some degree of plausible deniability if the project unravels. Claire agreed to Israeli participation. Nir will accompany the party to T. Thus, that party will be six persons: Bud, North, Teicher, Cave, communicator, and Nir.

North answered question #2 by pointing out that our long-term objective was to end the Iran-Iraq war. Specific objectives in the near-term were to get the Iranians [redacted] and to get them to cut off their oil to Nicaragua.

Question #3 was addressed in terms of the intel package being developed by Cave and Dick Kerr. North wants it jazzier, more photos, more reports of evil Soviet deeds against Muslims and mosques, etc. George will be the translator on this and needs to get together with Bud and North for a couple practice sessions before departure. The objective is to string this out (not just a two-hour slam bam, thank you ma'm). George suggested the theme that the Soviets are "one idea" people and that you (Iran) are OK now so long as the Soviets are preoccupied in Afghanistan. But afterwards, watch out.

We should also ask them for their views of the Afghan war. We should take along photos, but not leave them with the Iranians. (CIA action)

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Declassify: OADR

SENSITIVE

(206)

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Documentation: All will have [redacted] (except Bud). Nir does his own documents.

Aircraft routing: Dick's aircraft (C-130?) will pick up the parts at [redacted] and fly directly to Israel. The party will fly by [redacted] military Gulfstream to Israel. A sample of the parts and the party marry up there and fly to T on an Israeli aircraft (with Israeli involvement agreed, no need to go via Frankfurt).

North reviewed the idea of giving the Iranians a few options for delivering the hostages -- e.g., a Western Embassy in West Beirut, our Embassy in East Beirut, a church, etc. [redacted] The party should plan to ask for the return of Buckley's remains as well as those of the two Israelis.

Claire raised the contingency of the Iranians trying but being unable to deliver the hostages -- what does the party do then? North acknowledged the possibility; we've given them 48 hours (from time of the party's arrival in T) to safely deliver the hostages. We probably don't give them the parts and radars, but we also probably don't want to "go away mad" and give up the opportunity to develop some sort of on-going relationship.

Claire hopes that the party will be able to plant the seed of giving the Iranians a [redacted] Point out problems to date with dealing through intermediaries. Point out problems with the spare parts list they have developed -- that we don't believe this will entirely solve their problems. Suggest on-going dialogue. Suggest a visit by a few technical experts who might help identify and solve their equipment problems. [redacted]

Some modest U.S. gifts ought to be taken along (e.g., Colt .45 replicas?) DDO will fund.

Claire wanted to ensure that Weinberger, Casey, and Shultz would all be briefed on the project (particularly regarding his second question, long-term goals).

A problem has arisen on the radars -- they are more expensive than estimated (i.e., $5K each vice $3K?), and only Phase II radars are immediately available. Two phase I radars are currently sitting in a warehouse in Pennsylvania, but it is unclear if we can get these released (e.g, to Israel?). Approval from several U.S. agencies might be required: Customs, Justice, State, DOD, and the Iranian claims commission...(CIA action).

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N 1257

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SENSITIVE

[redacted]

Loose Ends: First deposit hasn't hit yet... Nailing down the exact costs... Solving the phase II/phase I problem. Developing a response to the Iranians not being able to deliver (or to a partial delivery). Ensure the intel package is up to speed.

~~TOP SECRET~~ UNCLASSIFIED SENSITIVE

5/12/86

Chapter 12 #165

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12-165

SECRET

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SECRET

Copp: 5/12/86 1115

141600Z May 86.

1. We have just received 10M in the lake via a contorted but our lawyer says it is good and he is now moving it out lake to another acct. Still no sign of the remaing 5M but assume it is enroute.

2. I will advise Adam ASAP.

3. I am meeting with [redacted] in my office at 1500.

4. FYI: Adam was trying hard to get exact bottom line numb me yesterday. Pls ensure you make up an approved version of talking paper. Rgds, Dick. BT

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12-167

CLASSIFIED AT TIME OF PUBLICATION.

12-174

See Hearing Exhibit OLN-290

Chapter 12
Footnote 176

[redacted] UNCLASSIFIED

N 12539

FILE: MAY06 [redacted] AO WHITE HOUSE COMMUNICATIONS AGENCY

Thursday: May 22
000 - 240 items + 500 TOWs moved fm [redacted] to Kelly AFB by CIA
1400 - Commercial 707 (01) arrives Kelly to load most of 240 items
30 - Copp arr. Geneva
1700 - Commercial 707 (01) Dep Kelly for Israel w/ bulk of 240 items aboard
.45 - North Dep Wash. for London
000 - Copp Dep Geneva for Israel w/ 707 Special Crew for IAF 707 via LearJet

Friday: May 23
0 00 - G-3 Dep Andrews w/ Cave, Teicher, communicators (2) plus equipmt
0 00 - G-3 P/U RCM at Laguardia (speech that evening in NYC)
0 30 - Copp Arr. Israel w/ 707 Spec Crew.
0 00 - North in London re CBS & ICRC offers to Lebanese Shia
:00 - G-3 w/ RCM arrive Gatwick; North
00 - Commercial 707 (02) Dep Kelly AFB w/ 500 TOWs for IDF enr Israel
1400 - Commercial 707 (01) Arr Israel w/bulk of 240 items; commence xfr to IAF 707s prior to commencement of Sabbath

Saturday, May 24
0 00 - G-3 w/ RCM
0 00 - G-3 Departs for Israel
0 00 - G-3 w/ RCM: communicators & party arrive Israel - start rest period
700 - Commercial 707 (02) Arrives w/ 500 TOWs & remainder of 240 items; complete xfr of 240 items to IAF 707s after sunset (end of Sabbath)
00 - IAF 707 (0A) w/ Copp special crew & RCM party dep Israel enr T.
200 - bulk of 240 items transloaded fm Commercial 707 (02) to IAF 707 (0B)

Sunday, May 25
0 30 - RCM & party on IAF 707 (0A) arrive T. prepared for Mtgs.

on 5/6/87

12-176

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12-175

See Hearing Exhibit OLN-193

12-177

See Hearing Exhibit OLN-194

See Hearing Exhibit CWW-48

CHAPTER 13. DEADLOCK IN TEHRAN

[illegible]

Duplicate

UNCLASSIFIED

Exclusive Dissemination

The Director of Central Intelligence
Washington, D.C. 20505

4576

C 09419
Chapter 13
Footnote 2

Nati[redacted]

NIC 01937-86
16 April 1986

[illegible] 1/23/88
[illegible] E.O. 12356
by B. Reger, National Security Cou[illegible]

13-2

MEM[redacted]UM FOR THE [redacted]

SUBJ[redacted]with [redacted]

1. [redacted] called again on 14 April to state that he was at a restaurant near his hotel because he was convinced [redacted]

2. [redacted] stated that after his last trip to Tehran, he had prepared a report in Farsi that set forth Iran's understanding of the agreement being worked out with the US. He said he [redacted] this report to Adam who in turn was to turn it over to Mr. Goode. In th[redacted]tement (which has never been received by Mr. Goode), the Iranian elements [redacted]ng on the agreement identified four issues to be discussed with the Amer[redacted]: (1) the threat from the Soviets in the north; [redacted] (3) the increasing pres[redacted]by the Syrians upon the Lebanese Hizballah; and (4) discussion of way[redacted]develop a long-term relationship between the US and Iran. [redacted] expres[redacted]gret the US side did not have this document in its original Farsi.

3. [redacted] claimed that he had told[redacted]Australian that the US delegation might travel utilizing [redacted] passpo[redacted]o Tehran. He told Tehran that the delegation, including the air crew, would total 10-11 individuals. [redacted] also told the Australian the Americans would come in their own plane and that the delegation would be headed by Robert. [redacted] claimed that he also told the Australian that the US would not deliver the Hawk spare parts or discuss any substantive issues until the hostages were released. According to [redacted] he emphasized to the Australian that all the hostages must be released as soon as the Americans arrived.

4. According to [redacted], the Australian stated his side wou[redacted]lling to meet with the Americans and he wanted to know if Robert wou[redacted]ying a message from the US President to the President of Iran and [redacted]ar Presidential message would be prepared for delivery to the[redacted]ster. [redacted] also stated that the Australian expected that another [redacted] be brought by the Americans from the Speaker of the House or[redacted] of [redacted]S Senate. If these types of formal documentation arrive w[redacted] delegation, the events can proceed and Robert will be p[redacted]th three top officials in Iran (presumably Rafsanjani, Pr[redacted]ssein Musavi, and President Khamenei).

CL BY [redacted]
DECL OADR

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Executive Registry 19864

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[illegible] 03[illegible]0

5. [redacted] stated that the Australian understood that the Americans would arrive [illegible] in their own aircraft and noted that the Americans would stay at [illegible]es of the Iranian President. If necessary, the Austr[illegible] would close one of the large hotels in order to ac[illegible] the Am[illegible] party. The hotel would have to be totally closed to gu[illegible]ccording to [illegible] because the Australian wished to hide the fact of th[illegible]can presence.

[illegible] stated that the Australian has proposed the following arr[illegible]: (1) [illegible]ericans arrive; (2) one hostage is released; (3) one [illegible] the H[illegible]sile spare parts will arrive, approximately 10-12 hour[illegible] of the first hostage; (4) as the negotiations proceed over the [illegible] four to five days, the other four hostages will be released. According to [redacted] the Australian explained that it would be difficult for Iran to force the Lebanese Shiite to release all the hostages at once because the Lebanese Shiite would find such an arrangement "fishy" and would not trust the Americans to come through with their side of their agreement—especially if all hostages were released at the outset.

7. The Australian, according to [illegible] stated that the framework for these discussions had been established and [illegible] the arrangements proposed above have been fully approved by the Iranian s[illegible] The Australian described the release of the first hostage upon the arrival [illegible]he American delegation as a "gesture of good will." He assured [redacted] that [illegible]her hostages would be freed if negotiations "successfully" proceede[illegible] the US delegation.

8. [redacted] told me that he recommend[illegible]. Goode reject this approach and that I [illegible] him back on 15 April to [illegible] him [redacted] that the sequence of events [illegible]sed by the Australian we[illegible]cceptable. [redacted] stated that a small "miracle [illegible]s been achieved in getti[illegible] Line Two group to accept any release [illegible]e hostages but asserted [illegible] Prime Minister Musavi is a problem and a rea[illegible]stacle to a final agree[illegible] He noted, however, that Musavi believes the US is "taking advantage of Iran." Nonetheless, [redacted]s advice was that the US be very tough and authorize him to tell the Australian outright that the US cannot accept the Australian's proposal. [redacted] stated that with proper backing from Mr. Goode, that he can successfully pressure [redacted] Australian and Prime Minister to agree to adhere to the original [redacted] understanding. [redacted] stated that he would work with [redacted] and other Line One supporters to force the issue. He stated that this also would be the most propitious route to pursue as the Prime Minister is a most untrustworthy and dangerous individual.

9. [redacted] stated that the money for the spare parts [illegible]ng on 15 April. As a final statement, [redacted] noted that the US [illegible] clear to Adam that we find the Australian's sequence of events [illegible] assured [redacted] that I would call him back on 15 April.

Charles [illegible] Allen

CIIN 3984

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Executive Registry 19865

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Chapter 13
Footnote 3

N·12537

[illegible] NOTE [redacted] -- WHITE HOUSE COMMUNICATIONS AGENCY

[illegible] 0700, and have copter shortly thereafter. [redacted] only aware of [redacted] - as is [redacted] who today provided recommended turnover [illegible] for hostages. We have sent one of our Democracy INC couriers to deliver flight schedule and turnover info to Gorba in London. Gorba scheduled to go to Tehran on Thursday. Copp departure for Geneva/Tel Aviv postponed 24 hrs fm original schedule in order to complete coordination of RCM flight planning. [illegible] still on schedule to depart there [redacted] in London. Complete ops plan and annexes being prepared for yr use during op. Will prepare in advance necessary paperwork and cables for dispatch of hostage [illegible] team, [illegible] Defense support and hospitalization alert for Wiesbaden - all of which wd be dispatched only when hostages are released. I also have prepared checklist for alerting State to notify families, move [illegible] to Europe for reunion. OPLAN includes three sets of press guidance - appropriate to various circumstances which could occur on [illegible]. Finally, [illegible] guidance as to whether or not you want to [illegible] [redacted] the theatre [illegible] we did in advance [redacted]. It wd be good insurance if things get fouled up during/after turnover of hostages - particularly if turnover does not result in hostages being brought all the way to our embassy. All involved believe it is unlikely that Iranians can get them this far with or without help from Hizballah. Most likely is release at one of the few Western [illegible] remaining in W. Beirut or at AUB Hospital. We also suggested the [illegible] Hospital [illegible] on the green line as a possibility on advice fm [illegible]. If things go wrong after release in W. Beirut [redacted] wd be helpful. [illegible] of [redacted] wd however increase OPSEC risk - but less so if we put them [redacted] [illegible] to tell [illegible] of [redacted] part of plan anyway. Pls [illegible] yr views [redacted]

[illegible] his concerns. Far too much is being said over the open telephone by [illegible] that wd be completely ignorant. Finally, we have several policy [illegible] which need to be addressed:

- Wd be able to [illegible] to the Iranians that we are willing to put a permanent Comm unit [redacted] in Tehran to facilitate future exchanges of information - [illegible]
- What do we do if they can only spring one two or three of the hostages after making a good faith effort?
- What do we do if, after 72 hrs, nothing happens?

These are the kinds of things I had suggested for discussion in the private mtg w/ RR. At the very least, you shd talk to RCM about these things, preferably face to face. While we all expect this thing to go pretty smooth, it may not. RCM is taking no small risk in this endeavor - just flying around the way he will have to. He doesn't have to take this kind of chance. I know that everyone is very busy, but it wd, in my humble opinion, be thoughtful if you can find a few minutes to discuss the issues above w/ him and say good by. While I'm confident he'll be back next week, I could be wrong and it might be a very long time before anyone sees him again.

Warm regards, North
IRAN AND TERRORISM
NS FROM: NSOLN --CPUA TO: NSJ[illegible] [illegible]/86 15:37:40
To: NSJMP --CPUA

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13-3

Imp 8/99 p30

Chapter 13 Fact ... 7
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[redacted]

13-7

84 3563599 ASO PAGE 001
TOR: 19[redacted] MAR 84 [redacted]

S E C R E T 19[redacted] MAR 84 STAFF

CITE [redacted]

TO: [redacted]

SUBJECT: [redacted]

REFS: A. [redacted]
B.

1. REF A NOTES THAT ACCORDING TO [redacted] [redacted] ENGINEERED THE KIDNAPPING OF BUCKLEY IN BEIRUT AND THAT [redacted]

2. [redacted] BUT BELIEVE THAT IN LIGHT OF POOR PERFORMANCE ON [redacted] THIS CAN BE SEEN AS ANOTHER INDICATION OF HIS DECEPTION.

3. FIL[redacted] DECL OADR DRV HUM 4-82 ALL SECRET.

END OF MESSAGE SECRET

REVIEWED FOR RELEASE
Date 27 March 87
HSC + SSC

[redacted]

Partially Declassified/Released on 1/25/88
under provisions of E.O. [illegible]
by [illegible] National Security Council

CIIN 1047

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DO 309013
03 01/30

[redacted]

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19 MAR 84

UNCLASSIFIED C 1503

[redacted]

PAGE 001 IN 3690367
TOR: 21[redacted] MAR 84 [redacted]

SECRET 21[redacted] MAR 84 STAFF

CITE [redacted]

TO: DIRECTOR [redacted]

SUBJECT: [redacted]

REF: A. [redacted]
B. [redacted]

1. [redacted]

2. [redacted]

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3. F[redacted] REF A AND RELATED TRAFFIC REPORTED [redacted] OF [redacted] WHO HAD VOLUNTEERED INFORMATION ABOUT POSSIBLE LOCATION OF KIDNAPPED AMERICAN DIPLOMAT WILLIAM BUCKLEY AND ABOUT AN ALLEGED IRANIAN PLOT TO ASSASSINATE U.S. PRESIDENTIAL CANDIDATES. [redacted] WAS TESTED ONLY ON THE INFORMATION ABOUT BUCKLEY [redacted]CAUSE OF THE LIMITED TIME ALLOWED TO CONDUCT [redacted] BEFORE [redacted] ONWARD TRAVEL. RESULTS SHOWED DECEPTION REGARDING SEVERAL KEY ELEMENTS OF [redacted] STORY. [redacted]

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Date 27 March 89
NSC & SSC
DO 005997
03 01/80

4. FILE: [redacted] DECL OADR DRV HUM 4-82.

[redacted] COMMENT: RELAYED INFO [redacted] PER [redacted]

CIN 1048

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under provisions of E.O. [illegible]
by R. [illegible], National Security Council

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[redacted]

[redacted]

PAGE 001
TOT: 18[redacted] MAR 84 DIRECTOR 876494

SECRET
STAFF 1[redacted] DIR[redacted]
TO: [redacted]

SUBJECT: PLANS TO ADMINISTER [redacted]

DO [illegible]8381
03 4/30

REFS: A. [redacted]
B. [redacted]
C. [redacted]

1. YOUR PLAN TO ADMINISTER [redacted] TO [redacted] (IDEN A) IS EMINENTLY DESIRABLE. WE CAN FIND [redacted] NO INDICATION THAT THIS HAS BEEN DONE PREVIOUSLY. [redacted]

4579

2. [redacted] WAS BORN 1945 IN IRAN, IN ISPAHEN, HE IS MARRIED. FROM 1979 TO EARLY JULY 1980 HE TRAVELED FREQUENTLY TO LONDON FROM IRAN AS AN EMPLOYEE OF AN IRANIAN BASED IMPORT/EXPORT FIRM. PRIOR TO THIS HE WAS MANAGING DIRECTOR OF STAR LINE SHIPPING CO., WHICH PER[redacted] BECAME A "JOINT IRANIAN/ISRAELI VENTURE" IN LATE 1980. IN LATE 1979 [redacted] WAS SAID TO BE A MEMBER OF THE "TEHRAN KOMITE". UNTIL ABOUT [redacted] 1981 [redacted] WAS A [redacted] SOURCE [redacted] OVER A PERIOD OF ABOUT ONE [redacted] WAS MET BY [redacted] OFFICER [redacted] DURING THIS TIME HE PROVIDED SOME USEFUL INFORMATION [redacted] (PRIOR TO THE IRANIAN REVOLUTION, [redacted] WAS AN INFORMANT FOR [redacted] AND SAVAK AND HE RETAINS MANY CONTACTS FROM THOSE DAYS.) [redacted] WAS IMPLICATED IN THE FAILED COUP OF [redacted] 1980, AS WERE BOTH OF HIS YOUNGER BROTHERS (IDENS B AND C). THUS, HE COULD NO LONGER TRAVEL TO IRAN BUT CONTINUED TO TRAVEL FREQUENTLY TO PARIS, ATHENS, TURKEY AND IRAQ. HE CLAIMED THIS WAS FOR THE PURPOSE OF MEETING WITH OTHER EXILE LEADERS, MAKING DEALS FOR MONITARY AID AND PURCHASING SMALL WEAPONS AND EXPLOSIVES REPORTEDLY FOR HIS "GROUP" IN IRAN. [redacted] THERE WERE INDICATIONS THAT HE WAS REGARDED AS CURIOUSLY WELL INFORMED AND WELL CONNECTED.

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27 March 87
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[redacted]

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by [illegible] National Security Council

CIN 1049

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[redacted]

PAGE 002

TOT: 1[redacted] MAR 84 DIRECTOR 876494

HE HAS [redacted]HAT HE [redacted]TORS EXILE GROUPS IN PARIS BUT IS NOT AFFILIAT[redacted]ITH ANY OF [redacted]

[redacted]

4. THOUGH SEEN MOST OFTEN AS A "RUM[redacted] MONGER OF OCCASIONAL USEFULNESS," HE HAS BEEN THE SOURCE OF [redacted] REPORTS THAT HAVE BEEN WELL RECEIVED [redacted] THERE [redacted] MAY BE SOMETHING TO WHAT HE IS SAYING - BUT EXACTLY WHAT, A[redacted] HE IS TELLING US NEEDS TO BE DETERMINED.

5. [redacted]

6. [redacted]

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7. [redacted]

CIIN 1049

UNCLASSIFIED C 1506

[redacted]

PAGE 003
TOT: 1[redacted] MAR 84 DIRECTOR 876494

[redacted]

FIL[redacted] DECL OADR
DRV [redacted]-82. ALL SECRET [redacted]
ORIG[redacted]
RELE[redacted] DDO/DO[redacted]
CL BY[redacted]
END OF [redacted] SECRET

REVIEWED FOR RELEASE
Date 27 March 87

DO 005980
03 0.1/30

CIIN 1049.

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C [redacted] 1507

[redacted]

[redacted] PAGE 001 IN 3455086
TOR: 17 [redacted] MAR 84 [redacted]

SECRET 17 [redacted] MAR 84 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR [redacted]

Partially Declassified/Released on 1/25/88 ...sic... E.O. 12356 ...ional Security Cou...

SUBJECT: [redacted] INFO ON ALLEGED PLAN TO ASSASSINATE PRESIDENTIAL CANDIDATES

REF: DIRECTOR 875330

1. FOLLOWING IS INFORMATION OBTAINED FROM [redacted] DURING FIRST 17 MARCH MEETING ON ALLEGED IRANIAN PLOT TO ASSASSINATE U.S. PRESIDENTIAL CANDIDATES. (NOTE: WE PAINFULLY AWARE THAT MANY QUESTIONS ON BELOW INFORMATION REMAIN TO BE ANSWERED. [redacted] WILL CONCENTRATE ON THESE QUESTIONS DURING PLANNED EVENING AND EARLY MORNING SESSIONS WITH [redacted]

2. [redacted] SOURCE FOR THIS INFORMATION IS [redacted] DESCRIBES [redacted] AS MEMBER OF ISLAMIC REPUBLICAN PARTY WHO NOW EMPLOYED AS "CLOSEST" [redacted] TO [redacted] IS REPORTED BY [redacted] TO BE THE GENERAL COORDINATOR OF THE PLANNED ASSASSINATION OPERATION. (NO TRACES ON [redacted] DR [redacted]

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CIIN 1050

03 01/30

21 March 87
HSC & SSC

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STAFF

[redacted] PAGE 002 IN 3655046
TOR: 17[redacted] MAR 84 [redacted]

3. ACCORDING TO [redacted] ARRANGEMENTS FOR INFILTRATION OF THE ASSASSINS INTO THE U.S. ARE BEING HANDLED BY [redacted]

4. [redacted] HAS ANOTHER "SOURCE" AND HE HAS THUS FAR REFUSED TO IDENTIFY. [redacted] (COMMENT: THIS ELEMENT OF STORY BEARS STRIKING RESEMBLANCE TO SOME PREVIOUS REPORTING INVOLVING [redacted] YOUNGER BROTHER. BELIEVE IT LIKELY THAT BROTHER IS STILL LURKING IN THE BACKGROUND OF THIS WHOLE EPISODE.)

5. ACCORDING TO INFORMATION PROVIDED BY [redacted] INTENDED TARGETS OF ASSASSINATION OPERATIONS ARE BOTH DEMOCRATIC AND REPUBLICAN PRESIDENTIAL CANDIDATES. ASSASSINATION OPS PLANNED TO TAKE PLACE BETWEEN 1 AUGUST 1984 AND 6 NOVEMBER 1984. ASSASSINATION TEAM IS MADE UP OF SUICIDE MEN, WHO ARE COMMITTED TO THIS OPERATION. INTENTION IS NOT ONLY TO KILL CANDIDATES, BUT TO KILL AS MANY SENIOR OFFICIALS AND STAFF (AND GENERAL PUBLIC) AS POSSIBLE. THE ACTUAL OPERATIONS ARE INTENDED TO BE AS "CATASTROPHIC" AS POSSIBLE FOR AMERICA. TIME PERIOD FOR OPERATIONS WAS PICKED SPECIFICALLY BECAUSE CANDIDATES WILL BE MORE PUBLICLY EXPOSED, AND THEORETICALLY LESS WELL PROTECTED, DURING THE ELECTION CAMPAIGN.

[redacted] 6. (COMMENT: PLEASE NOTE PREVIOUSLY REPORTED COMMENT BY THAT HE WAS UNHAPPY WITH HIS RELATIONSHIPS WITH [redacted] .

UNCLASSIFIED [illegible] FOR RELEASE
23 March 87
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STAFF

[redacted] PAGE 003 IN 3655046 [redacted]

TOR: 17[redacted] MAR 84

[redacted] BECAUSE NEITHER GOVERNMENT EVER TOOK ACTION ON HIS INFORMATION. HIS STATED MOTIVE FOR PROVIDING INFORMATION IS TO ASSIST WITH THE DOWNFALL OF THE KHOMEINI REGIME. WHILE ABOVE INFORMATION MUST BE, AND IS BEING, TAKEN VERY SERIOUSLY, IT SHOULD BE EVALUATED AND ASSESSED IN LIGHT OF [redacted] MOTIVATION.)

[redacted] 7. FILE: DEFER. INDEX: [redacted] DECL OADR DRV HUM 4-82.

END OF MESSAGE SECRET

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Date 23 March 84
NSC & SSC

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03 01/30

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CIIN 1050

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SECRET

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[redacted]

[redacted]

PAGE 001 IN 3654571

TOR: 1[redacted] MAR 84 [redacted]

S E C R E T 1[redacted] MAR 84 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR [redacted]

SUBJECT: MEETING WITH [redacted] RE: BEIRUT KIDNAPPING

REF: DIRECTOR 875330 *

1. [redacted] MET WITH IDEN B TO REF, WHO TURNED OUT TO BE [redacted] ON AFTERNOON OF 17 MARCH TO DEBRIEF HIM ON INFORMATION VOLUNTEERED BY HIM PER REF ON KIDNAPPING OF AMERICAN DIPLOMAT BUCKLEY AND ON PLOT TO ASSASSINATE PRESIDENTIAL CANDIDATES. [redacted] DETAILS FOLLOW:

2. [redacted] STATED THAT THE KIDNAPPING OF BUCKLEY WAS ENGINEERED B[redacted]) ALIAS [redacted] (NO TRACES). [redacted] LEFT FOR TEHRAN LAST NIGHT (16 MAR), AFTER FAILING TO OBTAIN [redacted] PERMISSION TO MOVE THE CAPTURED BUCKLEY [redacted] WHERE HE IS BEING HELD, TO TEHRAN. [redacted] COULD PROVIDE NO DETAILS ON THE CURRENT LOCATION OF BUCKLEY. [redacted] HAS BEEN IN TOUCH WITH [redacted] REQUESTED THAT [redacted] RETURN [redacted] TO USE HIS INFLUENCE TO OBTAIN PERMISSION TO MOVE BUCKLEY TO TEHRAN. THE

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DIR-876494, 18 MAR 84

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under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

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DO [illegible]977

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STAFF

[redacted] PAGE 002 IN 3654571
TOR: 1[redacted] MAR 84 [redacted]

CURRENT [redacted] IS FO[redacted] TO RETUR[redacted] ON 20 MARCH, AND TO MOVE BUCKLEY TO TEHRAN ON 21 MARCH. BUCKLEY WILL MOST LIKELY BE TRANSPORTED VIA IRAN AIR IN THE CARGO HOLD OF A PASSENGER AIRCRAFT, OR BY AN IRAN AIR CARGO AIRCRAFT. [redacted] PROVIDED THE TELEPHONE NUMBER AND THE ROOM NUMBER OF THE HOTEL [redacted] AND HIS PARTY HAD STAYED. [redacted]

3. THE SOURCE OF THE ABOVE INFORMATION IS [redacted] AN IRANIAN GOVERNMENT OFFICIAL WHO IS ON[redacted] AND SECRETLY SUPPORTS THE OVERTHROW OF THE KHOMEINI REGIME. [redacted] HAS TAKEN PART IN DISCUSSIONS WITH [redacted] ON THE FATE OF "THE AMERICAN". [redacted] STATED THAT THREE DAYS AGO HE PAID [redacted] USD20,000 VIA AN ACCOUNT IN [redacted] IN THE NAME OF ONE OF [redacted] RELATIVES. [redacted]

4. [redacted] PRESENTED ALIAS PASSPORT, IDEN A, ON WHICH HE IS TRAVELING, AND STATED THAT HIS TRUE NAME IS IDEN B. HE CLAIMS THAT HE CHANGES IDENTITIES EVERY THREE MONTHS OR SO FOR SAFETY. HE CLAIMED THAT HE IS INVOLVED IN AN UNNAMED IRANIAN ORGANIZATION WHICH IS FUNDED BY ARMS SALES TO IRAN. [redacted] STATED THAT HE IS USING IRAN'S MONEY TO BRING ABOUT ITS DOWNFALL. HE ADVISED THAT THE ORGANIZATION IS NOT AFFILIATED WITH ANY OF THE EXILE GROUPS OR LEADERS BECAUSE THEY ARE TOO COMFORTABLE LIVING IN THE WEST AND ARE NOT SERIOUS ABOUT OUSTING KHOMEINI. [redacted] DEALS ONLY WITH IRANIANS IN GOVERNMENTAL POSITIONS IN THE KHOMEINI REGIME WHO ARE ANTI-KHOMEINI. HE CLAIMS TO HAVE PENETRATIONS OF THE MILITARY, THE REVOLUTIONARY GUARD, AND THE INTELLIGENCE ORGANIZATIONS. HE STATED THAT HE CEASED DEALING WITH [redacted] IN MARCH 1981 BECAUSE IT WAS APPARENT THAT [redacted] WAS NOT GOING TO ACT ON THE INTELLIGENCE HE WAS PROVIDING TO BRING DOWN KHOMEINI AND THAT IT WAS CLEAR THAT A

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STAFF

[redacted] PAGE 003 IN 365457[redacted]
TOR: 1[redacted] MAR 80

DECISION[redacted] THAT REGARD HAD NOT YET BEEN MADE. [redacted] THIS IRRITATED [redacted] WHO STATED HE IS NOBODY'S MAN, AND IS VOLUNTEERING THE INFORMATION TO [redacted] BECAUSE HE SEES THAT NOW OUR "BACK IS AGAINST THE WALL" AND THAT PERHAPS NOW SOME ACTION WILL COME FROM HIS COOPERATION.

5. REQUEST HEADQUARTERS TRACES ON [redacted]

6. SEPARATE CABLE FOLLOWS ON DETAILS OF PLOT TO ASSASSINATE PRESIDENTIAL CANDIDATES.

7. FILE: [redacted] INDEX [redacted] DECL OADR DRV HUM 4-82.

[redacted] COMMENT: * WOULD APPRECIATE [redacted] OFFICER ESTABLISH CONTACT WITH SOURCE [redacted]

END OF MESSAGE SECRET

REVIEWED FOR RELEASE
Date 22 March 97
HSC or SSC

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[redacted]

PAGE 001 IN 3654753

TOR: 17[redacted]MAR 84 [redacted]

S E C R E T 17[redacted]MAR 84 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR [redacted]

[redacted]

SUBJECT: OPS PLANNING FOR [redacted]

REF: DIRECTOR 875330

1. IMMEDIATELY AFTER MEETING WI[redacted] FLEW[redacted] TO MEET WITH HIS SOURCE. HE SCHEDULED RETURN[redacted] AT 1940, AND WILL BE MET FOR ADDITIONAL DEBRIEFING. [redacted] HAD PLANNED TO PROCEED ON TO PARIS TONIGHT, BECAUSE HE HAS APPOINTMENTS SCHEDULED IN PARIS ON 18 MARCH. WE PLAN TO ATTEMPT TO PERSUADE HIM TO REMAIN[redacted] OVERNIGHT AND TAKE 0905 FLIGHT ~~IN~~ THE MORNING.

2. PLANNED 17 MARCH EVENING MEETING ~~WILL BE~~ FOR ADDITIONAL DEBRIEFING AND VERIFICATION OF BONA FIDES. BECAUSE OF URGENT AND SPECTACULAR NATURE OF[redacted] INFORMATION, WE WOULD LIKE TO ATTEMPT, INSOFAR AS POSSIBLE, TO VERIFY HIS INFORMATION THROUGH [redacted] EXAM. IN DISCUSSIONS WITH[redacted] DECISION HAS BEEN MADE NOT REPEAT NOT TO TRY TO[redacted] TONIGHT. REASONING AS FOLLOWS:

A. [redacted] HAS BEEN TRAVELLING ON HECTIC SCHEDULE AND WILL PROBABLY BE TIRED ENOUGH TO BE UNSUITABLE CANDIDATE FOR[redacted] IMMEDIATELY UPON HIS RETURN HERE[redacted]

B. WE HAVE VERY LITTLE BACKGROUND FILES [redacted] INFORMATION ON HAND IS INSUFFICIENT TO ALLOW EXAMINER TO ADEQUATELY PREPARE MEANINGFUL QUESTION SERIES. POSTPONEMENT OF [redacted] WILL ALLOW ADDITIONAL TIME FOR RECEIPT OF FILE SUMMARY FROM HQS. NOTE: PLEASE ADVISE SPECIFICALLY ANY AND ALL DATA AVAILABLE ON PREVIOUS[redacted] IF ANY.

C. [redacted] EXAMINER IS CURRENTLY PREPARING SPECIFIC FOLLOW-UP QUESTIONS FOR TONIGHT'S DEBRIEFING SESSION, BASED ON INFORMATION PROVIDED EARLIER BY[redacted]

3. UNLESS WE RECEIVE OBJECTIONS TO CONTRARY, PLAN ATTEMPT [redacted] CIRCA 0600 LOCAL 18 MARCH. [redacted] WILL BE ADMINISTERED IN ROOM RENTED[redacted]

4. WELCOME COMMENTS/SUGGESTIONS.

5. FILE: DEFER. DECL OADR DRV HUM 4-82.

CJIN 1052 END OF MESSAGE

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Date 27 March 97

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UNCLASSIFIED SECRET

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[redacted]

PAGE 001 IN 3654052
TOR: 12[redacted]MAR 84 [redacted]

S E C R E T 17[redacted]MAR 84 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR [redacted]

SUBJECT: UP-DATE ON CONTACT WITH IRANIAN TERRORIST SOURCE

REF: DIRECTOR 875330

1. SUBJECT REF A, WHO TURNS OUT TO BE [redacted] HIMSELF AND NOT YOUNGER BROTHER AS WE ORIGINALLY SUSPECTED, WAS MET AS SCHEDULED AT 1300 HOURS, [redacted]EETING LASTED [redacted] THERE WAS NO REPEAT NO INDICATION OF POTENTIAL SECURITY PROBLEMS BEFORE, DURING, OR AFTER MEETING.

2. DETAILED REPORT OF DEBRIEFING BEING PREPARED AND WILL BE SENT IMMEDIATE NIACT AS SOON AS POSSIBLE. WISH ALERT HQS COMPONENTS TO STAND BY TO PROVIDE TRACES, BACKGROUND INFORMATION, COMMENTS, AND GUIDANCE. AS FIRST STAGE, PLEASE PROVIDE, NIACT, FILE SUMMARY ON [redacted] FOR [redacted] BACKGROUND. PLEASE RELAY APPROPRIATE BACK TRAFFIC [redacted] FOR [redacted] INFORMATION [redacted]

3. SEPARATE CABLE FOLLOWS CONTAINING NAMES AND BIO DATA ON [redacted] SUB-SOURCES AND ON ALLEGED IRANIAN TERRORIST PERSONNEL. PLEASE PROVIDE IMMEDIATE NIACT TRACES (INTERIM RESPONSES ARE DESIRED, IF NECESSARY). IF POSSIBLE, WE WOULD LIKE TO HAVE AS MUCH INFORMATION AS PRACTICABLE IN HAND PRIOR TO NEXT SCHEDULED MEETING WITH [redacted] AT 1930 HOURS LOCAL THIS EVENING.

4. INFO OF IMMEDIATE IMPORT IS THAT [redacted] CLAIMS MR. BUCKLEY WAS KIDNAPPED AT DIRECTION OF IRANIAN GOVERNMENT AND IS NOW BEING HELD [redacted] (PRECISE LOCATION UNKNOWN). [redacted] ASSERTS IRANIANS WANT TO TRANSPORT HIM BACK TO TEHRAN, BUT [redacted] IS STALLING, AND APPARENTLY DOES NOT WANT HIM MOVED OUT [redacted]. DETAILS, INCLUDING SOURCING, FOLLOW.

5. FILE: DEFER. DECL OADR DRV HUM 4-82.
END OF MESSAGE SECRET

4583

REVIEWED FOR RELEASE
Date 27 March 87
NSC + SSC

[redacted]

17 MAR 84
17 MAR 84
18 MAR 84
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[redacted]

PAGE 001 IN 3396969
TOR: 16[redacted]FEB 84 [redacted]

SECRET 16[redacted]FEB 84 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR [redacted]

[redacted]

SUBJECT: IRANIAN WALK-IN

REF: DIRECTOR 813854 — re the "Madon gla"

1/25/87

1. ALI ((GHORBANI-FAR)) (SUBJECT), BORTHER OF [redacted] AND IDENTIFIED AS IDEN B TO DIRECTOR 813925 WALKED IN TO U.S. EMBASSY 17 FEBRUARY 1984 CLAIMING HE COURIER FOR SAVAMA. HE CLAIMS HE HAS BEEN TASKED BY SAVAMA TO OBTAIN FIVE NON-IRANIAN PASSPORTS TO BE ISSUED TO IRANIAN TEAM WHO THEN WILL SEEK VISAS TO VISIT THE U.S. PURPOSE OF VISIT IS NOT KNOWN TO SUBJECT, BUT HE SPECULATES IT TO BE IN CONNECTION WITH TERRORIST ATTACK AGAINST U.S. PROPERTY OR PROMINENT U.S. PERSON. SUBJECT OFFERED TO MAKE AVAILABLE "TOP SECRET" MESSAGES HE RELAYS TO DIFFERENT LOCATIONS IN EUROPE AND PHOTOS OF FIVE IRANIANS SEEKING PASSPORTS AND U.S. VISAS.

2. IN VIEW OF ALLEGATION RE ATTACK ON U.S. PERSON [redacted] REP INFORMED, AND WILL SEND MESSAGE TO THEIR HQS. [redacted] THIS APPROACH ALMOST CERTAINLY [redacted] A SCAM BUT WE NOTE THAT SUBJECT HAS NEVER BEEN DIRECTLY QUESTIONED AND WE WISH TO GIVE YOU OPPORTUNITY TO POSE ANY QUESTIONS. [redacted] REP IS QUERYING HIS HEADQUARTERS FOR INSTRUCTIONS. SUBJECT RETURNING TO EMBASSY 17 FEBRUARY.

[redacted]

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4. INDEX ((GHORBANI-FAR)). FILE [redacted] DECL OADR DRV HUM 4-82 ALL SECRET.

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END OF MESSAGE UNCLASSIFIED SECRET DO [illegible]947

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Chapter 13, Footnote 10

May 22/1400

N 1503

13-10

DC(EDT)	Local	
Saturday, May 24		
0000	0700	[redacted]
1000	1700	707 charter #2 arr TLV
1500	2200	RCM party dep TLV via IAF 707 (A) enroute T.
Sunday, May 25		
0100	0830	Party arr T.
Monday, May 26 (but NLT Wed, May 28)		
H-hr		Hostages released in Beirut.
H-hr		AmEmb Beirut notifies State Department and White House. NSC notifies RCM delegation.
H+1		NSC action: [redacted]
H+1 hr		State Department notifies families.
H+2 hrs		[redacted]
H+3 hrs (or ASAP)		White House press statement.
H+X hrs		Hostages evacuated from Lebanon [redacted] [redacted] met by [redacted] to Wiesbaden.
H+36 hrs		Hostage families flown to Wiesbaden.
NLT Thursday, May 29		
0100	0800	Party dep T. for TLV (both 707s).

4585

TIME ZONE LEGEND

CDT (Kelly)	EDT	London	Frankfurt	Tel Aviv	T.
0900	1000	1500	1600	1700	1730

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Partially Declassified/Released on 1/5/88
under provisions of E.O. 12356
by D. Reger, National Security Council

Chapter 12 Footnotes 18, 27-29

13-18 16/12 OC
BAUD

N 1334

PLEASE DELIVER THE FOLLOWING MESSAGE FROM ROBERT MCFARLANE TO ADMIRAL POINDEXTER AT OPENING OF BUSINESS TUESDAY MAY 27.

DELEGATION ARRIVED TEHRAN SUNDAY MORNING. ABSENCE OF ANYONE TO RECEIVE US F OF OVER AN HOUR AND RECURRENT EVIDENCE ANXIETY
WG'INEPTITUDE IN EVEN THE
MOST STRAIGHTFORWARD DISCOURSE MAKES IT CLEAR THAT WE MUST TAKE A STEP BACK FROM THE HISTORY OF THE PAST 8 YEARS AND PUT OUR TASK IN A DIFFERENT LIGHT.

IT MAY BE BEST FOR US TO TRY TO PICTURE WHAT IT WOULD BE LIKE IF AFTER NUCLEAR ATTACK. A SURVIVING [redacted] VICE PRESIDENT; A RECENT GRAD STUDENT BECAME DEPUTY SECRETARY OF STATE; AND A BOOKIE BECAME THE INTERLOCUTOR FOR ALL DISCOURSE WITH FOREIFN COUNTRIES. WHILE THE PRINCIPALS ARE A CUT ABOVE THIS LEVEL OF QUALIFICATION THE INCOMPETENCE OF THE IRANIAN GOVERNMENT TO DO BUSINESS REQUIRES A RETHINKING ON OUR PART OF WHY THERE HAVE BEEN SO MANY FRUSTRATING FAILURE TO DELIVER ON THEIR PART. THE OTHER REASON FOR THE SEVERAL SNAFUS HAS BEEN THE EXTREME PARANOIA THAT DOMINATES THE THINKING OF THE POLITICAL LEADERSHIP HERE. MORE ABOUT THIS LATER. FIRST LET ME DEBRIEF THE MEETINGS THAT HAVE BEEN HELD BEFORE GIVING YOU A SENSE OF WHERE AND HOW FAST MATTERS CAN PROGRESS.

ONCE MATTERS WERE SORTED OUT AT THE AIRPORT. WE WERE MET BY GORBA[redacted] TAKEN TO THE HILTON HOTEL AND INSTALLED IN THE TOP FLOOR ALONG WITH CONSIDERABLE SECURITY (CI) PEOPLE FROM THEIR SIDE. AFTER A SHORT REST WE CONVENED OUR FIRST MEETING AT 1700LOCAL SUNDAY AFTERNOON. IT WAS A 'FOUNDATION SESSION IN WHICH WE ESTABLISHED THAT WE ACKNOWLEDGED THE IRANIAN REVOLUTION; HAD NO INTEREST OR INTENTION IN TRYING TO REVERSE IT; INDEED BELIEVED THAT A STRONG INDEPENDENT, NON-ALIGNED IRAN WAS IN THE US INTEREST BUT THAT SUCH A SITUATION WAS UNLIKELY TO BE POSSIBLE IN OUR JUDGMENT FOR A NUMBER OF REASONS. FIRST, IT SEEMED CLEAR TOOUS THAT THE SOVIET UNION WAS PREPARED TO GO QUITE FAR TO PREVENT AN IRAQI DEFEAT IN THE WAR AND MAY WELL HAVE AMBITIONS VIS A VIS IRAN THAT WE WOULD BE PLEASED TO DISCUSS DURING OUR TALKS. FOR OUR PART, WE CAN ENVISION RESTORATION OF A NORMAL RELATIONSHIP WITH IRAN BUT NOT UNDER CIRCUMSTANCES IN WHICH THEY WORK AGAINST OUR INTERESTS WHETHEPP;$1.UTERRORISM OR SUPPORT FOR SUBVERSION OF OUR INTERESTS IN NICARAGUA AND ELSEWHERE.

OUR INTERLOCUTORS WERE [redacted] GORBA AND ONE OTHER FUNCTIONARY.

THEIR RESPONSE TO ALL THIS WAS ON THE WHOLE EXPRESSED IN A SQIRIT OF GOOD WILL. "WE ARE OPEN TO A STABLE RELATIONSHIP WITH THE U.S. BUT IT WILL NOT BE EASY TO OVERCOME A BITTER HISTORY ETC ETC" BUT IN A LARGER SENSE THE CENTRAL MESSAGE TO US WAS HOW UNCERTAIN, FEARFUL AND TIMID THESE THIRD AND FOURTH LEVEL OFFICIALS WERE. FURTHER, IT HAS BECOME MORE AND MORE CLEAR THAT WHILE GORBA HAS BROUGHT US TO THE BEGINNING OF A DIALOGUE WITH THE GOI, HE HAS DONE IT WITH CONSIDERABLE HYPERBOLE, OCCASIONAL LIES AND DISSEMBLING. OUR INTERLOCUTORS' DEFENSIVENESS WAS EXPRESSED THROUGH A DIATRIBE ABOUT HOW WE HADN'T BROUGHT ENOUGH SUPPLIES AND THUS WERE ACTING IN BAD FAITH. THIS WAS EASILY REBUTTED AND THEY WERE PUT ON THE DEFENSIVE REGARDING THEIR FAILURE TO PRODUCE ON THE HOSTAGES BUT IT MADE CLEAR THE NEED TO GET BEYOND THEIR LEVEL IF WE ARE TO DO ANY SERIOUS BUSINESS HERE. THE MEETING ENDED ON A HARMONIOUS NOTE. THEY ASKED THAT WE PROPOSE AN AGENDA FOR TODAY'S MEETINGS. WE DID SO LAST NIGHT; BAS

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KT

[illegible] FOR THIS BREACH OF FAITH AND INSOLENT BEHAVIOR--THOU [illegible]

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EXPECTED TO BE CORRECTED FORTHWITH.

N 1335

THIS MORNING. AFTER APPARENTLY CONSIDERABLE INTERNAL TO AND FRO ON THEIR SIDE [redacted] WAS DISPATCHED TO APOLOGIZE AND TO SAY THAN THEY WANTED THE MEETINGS TO SUCCEED. (LATE ENTRY: BEGINNING WITH OUR ARRIVAL AND FREQUENTLY SINCE, GORBA HAS CONTINUED TO SAY "THE HOSTAGES WILL BE RELEASED AND THINGS ARE GOING IN THE RIGHT DIRECTION AND DON'T WORRY" AND OTHER RHETORICAL IRRELEVANCIES.) [redacted] ALSO SAID THAT THEIR LEADERS HAD DESIGNATED AN OFFICIAL WITH HIGHER AUTHORITY THAN THEY TO COME TO MEET WITH US THIS AFTERNOON (MONDAY). I MADE CLEAR THAT IF HE WAS COMING TO SPEND NEEDLESS TIME DISCUSSING THE SUPPLIES OR OTHER FORMS OF NIGGLING THAT HE COULD DO SO WITH THE STAFF.

HE ARRIVED AT ABOUT 9:45 TONIGHT AND LASTED UNTIL JUST ABOUT 1:45 TUESDAY MORNING. AS IT TURNED OUT THIS MAN NAMED [redacted] WAS A CONSIDERABLE CUT ABOVE THE BUSH LEAGUERS WE HAD BEEN DEALING WITH. IN THE COURSE OF THE 4 HOUR MEETING IT BECAME EVIDENT THAT THE THREE IRANIAN LEADERS--RAFSANJANI, MUSAVI (PRIME MINISTER) AND KHAMENEI (PRESIDENT) ARE EACH TRAUMATYZMD BY THE RECOLLECTION THAT AFTER BAZARGAN MET WITH BRZEZINSKI IN THE SPRING OF 1980, HE WAS DEPOSED (SO STRONG WAS POPULAR SENTIMENT AGAINST DOING BUSINESS WITH THE GREAT SATAN). TODAY THE FORCE OF EVENTS AND SELF INTEREST HAS BROUGHT THEM TO THE POINT OF REALIZING THAT WE DO HAVE SOME COMMON INTERESTS (VIS A VIS THE RUSSIANS, AFGHANISTAN AND PERHAPS EVEN AGAINST IRAQ.) BUT THEY STILL CANNOT OVERCOME THEIR MORE IMMEDIATE PROBLEM OF HOW TTO TALK TO US AND STAY ALIVE. BUT FROM THE TENOR OF THIS LAST MAN [redacted] STATEMENTS, CONVICTION AND KNOWLEDGEABLE EXPRESSION OF WHAT IS POSSIBLE IN THE WAY OF A STABLE COOPERATIVE RELATIONSHIP, I BELIEVEWE HAVE FINALLY REACHED A COMPETENT IRANIAN OFFICIAL--AND THAT'S GOOD.

NEVERTHELESS WE CANNOT, IN MY JUDGMENT BE SWOONED BY SERIOUS DIALOGUE WITHOUT ACTS. THUS I DID NOT MEET WITH THIS MAN AS A FIRM SIGNAL THAT ALTHOUGH WE HAVE COME TO SET IN MOTION A SUSTAINED PROCESS, WE MUST FIRST SET ASIDE A NUMBER OF OBSTACLES--NOTABLY BY THE RELEASE OF THE HOSTAGES. THIS WAS FORCEFULLY STRESSED TO [redacted] TONIGHT AND WE HAVE RECEIVED THROUGHOUT THE DAY PERIODIC REAFFIRMATIONS THAT STEPS ARE IN MOTION, WE ARE WORKING ON IT, DON'T WORRY ETC ETC ETC. WITH THAT IN MIND, WHEN HE COMES BACK TOMORROW TO GO DISCUSS - THE AGENDA, I #NTEND TO HAVE HIM MEET WITH THE STAFF WITH PERHAPS AN INTERVENING SUMMONS FOR HI
TO COME VISIT WITH ME TO TRY TO SET SOME SPECIFIC MILESTONES FOR MOVING AHEAD. THESE WOULD INCLUDE: 1. AN END TO THE E XTREME RHETORIC ON BOTH SIDES (ALTHOUGH WE WILL CALL IT AT IT IS IF THERE IS A RECURRENCE OF TERRORISM AGAINST US) 2. THE ESTABLISHMENT OF A COMMUNICATIONS CAPABILITY BETWEEN US FULL TIME AS SOON POSSIBLE. 3. THE POSITIONING ON THE GROUND HERE A TECHNICAL EXPERT TO GET US AWAY FROM THESE ENDLESS EXCHANGES OF REQUESTS FOR ITEMS THEY DON'T NEED.

WITH REGARD TO THE HOSTAGES WE HAVE AND WILL CONTINUE TO MAKE CLEAR THAT THEIR RELEASE IS THE SINE QUA NOM TO ANY FURTHER STEPS BETWEEN US. AND IF THAT HAS NOT HAPPENED BY TOMORROW NIGHT, THEY ARE AWARE THAT WE WILL LEAVE AND THAT THE BALANCE OF THIS SHIPIENT WILL NOT BE DELIVERE NOR WILL ANY .#HMMSIANCE BE CONSIDERED.

AS TO MY JUDGMENT ON WHERE WE STAND, AT SEEMS CLEAR THAT WE ARU DEALING WITH PEOPLE AT THE TOP WHO: 1. UNDeRSTAND THAT THEY HAVE AN IMPORTANT INTEREST

IN TRYING TO ESTABLISH A DIALOGUE THAT LEADS TO A MEASURE OF COOPERATION WITH US. 2. THAT DOING SO REQUIRES THAT THEY DELIVER ON CERTAIN KINDS OF BEHAVIOR E.G. RELEASE OF THE HOSTAGES AND NO FURTHER TERRORIST ACTS AGAINST US. 3. ARE VERY FEARFUL FOR THEIR OWN VULNERABILITY TO FACTIONAL ATTACK IF THEY ARE DISCOVERED IN THIS DIALOGUE BEFORE THEY CAN CONDITION THE PEOPLE TO A DIFFERENT PERCEPTION OF THE U.S. 4. ARE TRYING TO RUN A COUNTRY WITH ALMOST NO COMPETENT OFFICIALS BELOW THE VERY TOP AND NEED HELP.

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SO WE ARE ON THE WAY TO SOMETHING THAT CAN BECOME A TRULY STRATEGIC GAIN FOR US AT THE EXPENSE OF THE SOVIETS. BUT IT IS GOING TO BE PAINFULLY SLOW. AS WE PROCEED WE CANNOT BE GULLED BY PROMISES OF WHAT WILL HAPPEN TOMORROW--AT BOTTOM THEY REALLY ARE RUG MERCHANTS. BUT LITTLE BY LITTLE WE CAN MAKE PROGRESS BECAUSE IT IS A MATTER OF SELF INTEREST FOR BOTH OF US TO DO SO.

I WILL GIVE YOU A MORE THOUGHTFUL FILL TOMORROW AFTER OUR MEETINGS--IT IS NOW 3:35 A.M. LOCAL. I FEEL THAT WE HAVE ENTERED A SENSIBLE PROCESS AND FINALLY GOTTEN A COMPETENT INTERLOCUTOR ON THE OTHER SIDE. IF YOU HAVE ANY SPECIAL INSTRUCTIONS

BEFORE WE MEET TOMORROW PLEASE LET ME KNOW. HOPE YOU HAD A NICE WEEKEND. YOUR GUYS ARE DOING A FANSTASTIC JOB AS IS CAVE AND THE COMMUNICATOR WHO IS NEAR EATH.

THIS EVOKED

Chapter 13

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~~TOP SECRET~~

13-21

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N 9930

May 22, 1986

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FBI
NOV 29 1986
Copy is Receipt

~~TOP SECRET~~

ACTION

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH N

SUBJECT: Hostage Recovery Plan

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

Attached for your information are papers which contain essential information and action requirements for the execution of the hostage recovery plan.

Tab I is the operation order and time table for the critical events of the plan. The following people will have copies of this timetable: Clair George, Dewey Clarridge, and Bob Earl. We have established a communications plan in which the travelling party will make routine contact in order to apprise the appropriate people of progress along the timetable.

Tab II is the U.S.-Iran Terms of Reference (TOR) that will be used by Bud during our discussions with the Iranians.

Tab III contains three different sets of press guidance for use:

-- upon release of the hostages in Beirut;
-- upon the non-hostile disclosure of the party's visit to Iran; and
-- the hostile discovery and abduction of the party while in Iran.

[redacted]

Tab VI is a memo from you to the Secretaries of State and Defense, the CJCS, and the Director, FBI to execute the established interagency plan (Tab A) to receive, debrief, and reunite our citizens. This memo will follow-up a secure conference call upon notification of the hostages release.

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EXHIBIT
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Declassify: OADR

Chapter 13, Footnote 23

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

6344

MEMORANDUM OF CONVERSATION

13-23

SUBJECT: U.S.-Iran Dialogue (U)

PARTICIPANTS:

U.S.
Robert C. McFarlane
Oliver L. North
George Cave
Howard R. Teicher

Israel
Amiram Nir

Iran
[redacted]

DATE: May 25, 1986
PLACE: Tehran, Iran, Independence Hotel
TIME: 5:15 p.m.

[redacted] opened the plenary meeting. He said he was very happy to see the U.S. delegation here. Hoped this will be a useful trip with good results. Expressed regret for inconvenience at the airport. "Ready to begin negotiations and talks." After introducing his colleagues, [redacted] said the main purpose of this meeting is to prepare an agenda for other political discussions. (S)

McFarlane expressed on behalf of the President his pleasure to be in Iran to start what the U.S. hopes will be sustained discourse. McFarlane made the following opening statement: "The President asked that I portray for your leaders U.S. goals, the basis of disagreements, and try to find common ground for cooperation. Perhaps I could propose a format for our exchanges. First a session for an exchange on fundamental issues. In such a session we could present our goals, the nature of the peace we seek in the M.E. and more broadly. We could then turn to how we see our responsibilities vis-a-vis the USSR, and what we see as important to U.S. security interests in other parts of the world. We can also describe how we see the history of U.S.-Iranian relations

Partially Declassified/Released on 6 Jul 1987
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by B. Reger, National Security Council

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Declassify on: OADR

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going back 10 years. In these talks, on bilateral matters, we would hope to make clear that the U.S. accepts the Iranian Revolution and has no wish or presumption of influencing it in any fashion." (S)

McFarlane stressed "the U.S. hope that from this day forward, the U.S. and Iran can proceed where interests converge. No doubt there are elements of Iranian policy that the U.S. will disagree with. But it is important we understand the disagreements." After a general discussion of the global and bilateral agenda, McFarlane suggested that it might be useful for experts to exchange information, e.g., nature of Soviet intentions and capabilities in this part of the world. "I'd like to stress something at the beginning. Obviously we've had disagreements over the past eight years. But the U.S. recognizes that Iran is a sovereign power and we should deal on the basis of mutual respect, not intimidation. That's why before we begin high-level talks we put behind us hostage-taking which has occurred in the past. We are pleased that informal talks resulted in agreement on release of American hostages. Once that is completed we can begin serious talks. I want to stress our appreciation for your hospitality, especially during Ramazan. All of us are pleased to be here. This can lead to an historic new beginning." (S)

[redacted] replied that "he wanted to lay a groundwork regarding certain issues before meetings begin. This revolution was totally depending on God, independent Iranian power and unique ideology. These factors allowed this revolution to come into being. This revolution came to power because for years the nation was under dictatorial pressures. These pressures contributed to the revolution's success. I am sure you can feel how the nation and people think after so many years under pressure. Iran can now act freely. What do you expect from them now that they are free? I want to express a very important point. This revolution cost much blood. After so much blood, the people don't want hostility directed against them. The leader and the people expressed their will to look forward, not to the past. The key question to the past eight years may help explain why our relations were not good. We have a famous saying "Past is a mirror for the future." It is not the time to discuss what went wrong over past five years, but I want to emphasize a few points. We don't want to align with East or West, but that doesn't mean we don't want relations. Iran had relations with the U.S.A. at first. But refuge for the Shah and interference in our internal affairs damaged relations. U.S. refuge for the Shah was

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bad but your military action was a demonstration of hostile intent. All the points combined led to break in confidence in U.S.G. To rebuild bridge of confidence will take time. We are moving toward this goal. Best proof and reason we are moving is informal meetings, and your presence here in Iran. You know better than anyone that your presence here is most important development in this process. Believe we will reach this goal by fulfilling the necessary steps that have already been agreed to. I didn't want to review the past but I needed to mention the background." (S)

Turning to the agenda, [redacted] said he needs to make the agenda clear for Iranian leaders. "The first item should be U.S. goals in the area. The basic priority is to build a bridge of confidence. Both Iran and the U.S. must build confidence and trust. Once bridge of confidence is established then other priorities can be addressed and solved. We expect from you that the U.S. will supply physical support to Iran. U.S. support will be with us. This is best way to build confidence. For the U.S.A. to demonstrate that it is with Iran." (S)

McFarlane welcomed climate of [redacted] remarks. Bodes well for talks. "We agree that we should take advantage of certain measures that were agreed in the informal talks. Regarding the commitment of the U.S. to turn a page, this is expressed by my presence on behalf of the President. The corresponding commitment on the part of your government to put the past behind us is to use your influence to secure the release of captive Americans. They are not held by Iran but the captors are also subject to Iranian influence. Finally as an earnest showing of our good faith, we are prepared to transfer certain items which may be of assistance. We have brought some of these with us. In virtually all cases we could handle via aircraft. If not, other items will follow as this sequence evolves. Perhaps we could start discussions tomorrow morning on goals. At the conclusion of this discussion, we could have specialized sessions on the Soviet Union and Middle East situation." (S)

[redacted] specified Soviet intentions, Afghan issues, Lebanese affairs, Middle East peace, Iran-Iraq war, Kurdistan. "What is your view about Iraq? It's regime?" (S)

McFarlane said, "We are prepared to discuss all of those issues. Let us begin with a long session where we can make summary comments on each topic. Then later, when talking about Soviet capabilities, perhaps experts could meet. But the general threat and how to meet it can be done in a general session. In order to have clarity we can write out the agenda tonight." (S) [redacted] changed the subject, stating that "for humanitarian reasons we have acted on your hostages. But we expected more than what came on the aircraft". (S)

McFarlane answered that we could not bring it all on the plane. But the rest can be brought forward. (S)

[redacted] reiterated the humanitarian dimension, noting that Iran did not take these people captive." (S)

North expressed U.S. gratification for Iran's humanitarian assistance. He asked what Tehran wants the U.S. Government to say about Iran's role. The U.S. does not want to embarrass Iran. But if the Iranian government would be served by a U.S.G. statement it can be made. "We hope this will happen in next few hours." (S)

[redacted] said that Iran took this step as a humanitarian act. "We started the process, but cannot forecast when it will happen. We can discuss this affair later. We expect anyhow to receive more items from you so that we will be in a better position with our leaders. I want to make this point very clear. Iran has been at war for six years. Fao was a great accomplishment. We are expecting more equipment." (S)

McFarlane stated that the agreement which was concluded will be fulfilled to the letter." "A bridge of confidence is a useful metaphor. I have come as an expression of good will. In addition to my own presence, we put items on the aircraft and loaded all the rest on another aircraft which can be brought forward. The corresponding act on your side, a humanitarian gesture, involves the release of our people. While separate and not related, these acts do contribute to mutual confidence. You have my word, the bond of my country, that we will fulfill our agreement." (S)

[redacted] replied that "what Iran expected is not here, but as a humanitrian gesture, Iran will send a delegation to Beirut to solve that problem while expecting Iranian logistics needs to be met." He emphasized that no one knows about the McFarlane team's presence in Tehran. The Air Force is suspicious since someone is still on the plane. [redacted] suggested that he stay at the hotel instead. (S)

McFarlane said, "we can't do that. Although his presence on the plan may complicate suspicions, he performs communications functions as well as logistics accountability. We can give instructions for him to stay out of sight." (S)

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[redacted] said there is no problem with communications. But having him staying on board is a problem because he's at the military airfield. (S)

McFarlane stated that "we need communications all the time. Otherwise there is no way to communicate with the President." (S)

[redacted] stressed there is a security problem with Air Force questioning. (S)

Turning back to substance, McFarlane said, "this is a good beginning. We do have much to do and very little time." He argued that the U.S. team's presence here should be kept brief for security. (S)

[redacted] opined that "everything depends on good will and restored confidence. But there are some things which cause doubt. We were told that one- half of the equipment would be brought with McFarlane. You did not bring one-half. This behavior raises doubts about what can be accomplished." (S)

McFarlane forcefully interjected to end [redacted] protests. "Let's be clear. I have come. There should be an act of goodwill by Iran. I brought some things along as a special gesture. So far nothing has happened on your side. However, I am confident it will." (S)

[redacted] apologized, stressing that he and his colleagues are not decision-makers. "We just give you a message and take your message. But we told our leaders that you would bring one-half of the items." (S)

North noted that the aircraft has weight and fuel limitations. (S)

[redacted] commented that some of the spare parts are used. (S)

Angrily, McFarlane replied that "I have come from U.S.A. You are not dealing with Iraq. I did not have to bring anything. We can leave now!" (S)

[redacted] said that "We promised things to higher authorities regarding one-half of the items we purchased. Could you have told us it would only be one-fourth due to technical flight requirements? Now we will have internal problems." (S)

[redacted] stated that this problem can be solved in parallel with the other problem. A special delegation has already left to deal with the humanitarian problem. "We have all done what we should do." We respect our guests' need? (S)

The meeting concluded at 7:00 p.m. (S)

Prepared by:
Howard Teicher

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TOP SECRET SENSITIVE

This is an account of the U.S. mission to Tehran from May 25 through May 28, together with some comments and observations. The U.S. team was headed by Mcfarland with Goode, Mcgrath, Miller and O'neil making up the rest of the team. A communicator also accompanied the team on the trip into Tehran.

The team arrived in Tehran at 0830 hours on 25 May and was left to cool its collective heels for about two hours. During this period the Iranian Air force put on a show in which one by one a squadron of F-4's took off from Mehrabad airport. The planes carried no ordanance and according to the Mehrabad base commander they were flying training missions. According to Gorba, the Iranians recently recieved a shipment of F-4 spare parts and the flights were training flights to bring some of their pilots up to snuff. The first Iranian official to show up who was connected with this operation was [redacted] who was already known to the air crew. The base Commander [redacted] also put in an appearance and made pleasant conversation. He was also their at our departure. It is unclear how much he was cut in on he operation. Gorba showed up about half an hour after our arrival. He said that we had arrived an hour early and this was the reason there was no one at the airport to recieve us. We were later told that the recieving party had gone to the miliary side of the base expecting us to park our plane there. Gorba told us that for security reasons we were being given the entire top floor of the Hiton Hotel, now renamed the Istiqlal(independence). [redacted] finally arrived and after some small talk we departed for the hotel. While still at the airport, Gorba informed us that everything was going well and the Iranians had already dispatched a representative to secure the release of the hostages.

While on the plane Mcfarland, Goode and O'neil rehearsed a discussion of the briefs which we would run through in the hotel for the benefit of Iranian coverage of the American delegation. In short the play acting was designed to give the brief good sourcing. We expressed our concern out loud that the Iranians would not believe the Soviet invasion plan. We worried hat we could not indicate the real source of the information due to said source's sensitivity. The sensitive source, dubbed "Vladimir" by Goode was described as a Major General who had taken part in two of the war games on the invasion of Iran. O'neil subsequently gave [redacted] a brief glance at the briefing book to whet his appetite and give them something to which they could tie their audio coverage. None of the three briefs were given.

The first substantive meeting took place late in the afternoon of 24 May. The Iranian side consisted of [redacted] a named [redacted] who was introduced [redacted] and a man named [redacted] whom Gorba described as being in their intelligence service. This initial meeting was hostile with the Iranians listing past sins of the United States etc. The meeting ended with what appeared to be little chance of any progress. Basically the American side insisted on adherence to the agreement as we understood it, and the Iranians inisisting that America must do more to atone for its sins. At the end on the Meeting, [redacted] set the tone by saying that even if no progress is made during the discussions, we were their guests and Iranians honored guests.

The first crisis occurred later in the evening when the Iranians

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insisted on removing the one crew member who was staying on the plane. They insisted that we had agreed to this at the earlier meeting. Mcfarland's response to this was that we pack up and leave. O'neil consulted with a young man named [redacted] who stayed in the hotel with us during the visit. He had been intrduced to us as the one person to contact to solve any problems which might come up. [redacted] was very upset that we consulted with [redacted] about the plane and referred to it as a breach of secuity on our part. He insisted that their primary concern was our security and this was adduced as the reason we were to stay couped up on the 15th floor of the hotel. We succeeded in getting a crew member back on the plane the following day. It was clear that the Iranians only wanted to search the plane. The search seemed to satisfy them and we had no subsequent problems on this issue. [redacted] was also very upset that we had our own communications(this was reason we gave for having a man on the plane at all times). He argued that Iranian intelligence would pick up the signals and this could jeopardize the security of whole opeation. He said that they would put what ever we wished at our disposal including a dedicated telex. We insisted on our own commo and he gradually backed off. The hostile attitude of the Iranians on the first day left us a little uneasy.

On Monday we were left to our own devices throughout most of the day. We finally had another meeting late in the afternoon. At this meeting, another Iranian was introduced as [redacted]. He is several cuts above the other members of the Iranian side. He is obviously well educated and very cultured. At this meeting, McFarland outlined the reasons we were in Tehran. We wished to lay the groundwork for a new political and strategic relationship between our two countries. We considered the arms supplies as an example of our good faith and we insisted on the release of the hostages as an example of their good faith. [redacted] made the appropriate noises and said that Iran was prepared to have normal relations with every country, except two, Israel ans South Africa. McFarland outlined our concerans about soviet designs on Iran and told the Iranians that we woud provide them with a briefing which would detail our reasons for concern. He also spoke of Sadam Hussayn's December visit to Moscow in which the Soviets promised Sadam that they would do everything to prevent Iraq from Losing the war. [redacted] tried some of the usual Iranian bravado by claiming that if the soviets attacked, the Iranian soldiers would do well against them because of their devotion to shoheda. This was followed by a load of shit on shoheda. On the Iranian side [redacted] concentrated on the Hostage issue and [redacted] on the arms transactions. [redacted] said that they had already heard from their man in Lebanon who said that the group holding the hostages had insisted on several conditions as follows: (1) Israeli withdrawal from the Golan heights (2) Israeli withdrawal fom Southern lebanon (3) Removal of Lahad to East Beirut (4) freeing of the imprisoned Shi'ites in Kuwait, and (5) re-imbursement for the expenses of holding the hostages. [redacted] graciously volunteered that Iran would pay these expenses. [redacted] argued that we were not upholding our part of the deal because we had promised to bring half the parts with us(no such promise wa made). He did not repeat his sunday claim that the parts we brought were used. He insisted tht we bring the rest of the parts before the release of the hostages. We stuck to the terms of the agreement. When things seemed to come unstuck, McFarland got up and said that we would leave if they couldn't uphold their end of the

bargain. This upset [redacted] who said that McFarland was very firm and stern cond-rol) and they as Iranians liked to negotiate in a more gentle narm) atmosphere. What was encouraging about monday's meetings was that the Iranians were far more friendly than on Sunday.

By this time it was clear that McFarland was not going to meet any of the principles that had been mentioned by Gorba. McFarland then told the Iranians that they could continue negotiations with the American staff and get back to him when some kind of agreement was reached. [redacted] made a big issue of the problems our presence in Tehran caused them. He stated that a senior official could not afford the political risk of a meeting with McFarland. He pointed out that it was Bazergan's meeting with Brezhinsky that brought down the Bazergan government. Based on [redacted]s comments we can take it as a certainty that Khomieni was not breifed on our presence or our mission. He would have to give his blessing before any senior official would dare to meet wih a senior American official. We ran into the same problem in our discussions with the Bazergan governent. Gorba also let drop tha [redacted] one of the senior personages that he had supposedly arranged for us to meet was also not aware of our presence.

Tuesday was a day of marathon negotiations with the Iranians stalling for time and trying to get the most out of the American delegation. The American delegation stuck by the terms of the original agreement and insisted that after the terms of the Frankfurt agreement were met, we would meet and discuss in detail their needs and the outline of our two countries' future relations. The American delegation proposed a specific timing for a subsequent meeting. During the late afternoon it was agreed that the American team would draw up an agreement which would be discussed later in the evening. To save time O'neil began working on a translation which was later completed by he and Gorba.

During tuesday's negotiations, all the demands of the hostages holders evaporated except for the demand for the release of the Shi'ite prisoners in Kuwait. Goode handled this part of the negotiations by firmly stating that the United States would not interfere in the internal affairs of Kuwait, particularly in an instance where Kuwaiti due legal pocess had been carried out. We would however seek to better the condition of Shia prisoners through the good offices of international organizations such as the Red Cross and the Red Crescent. Goode warned that as far as the well being of the Shi'ite prisoners in Kuwait is concerned, there had better not be any more terrorist activity directed at the Royal family in Kuwait.

The draft agreement was the subject of intense negotiations with the Iranians making some counter proposals which were designed to gain them more time. Talks broke off around midnight with the Iranian delegation saying it wanted to caucus. For the next two hours, heated discussions were held within the Iranian delegation. [redacted] both said that the other would be responsible if nothing comes of the negotiations. Finally, shortly before two on Wednesday morning, [redacted] asked to see McFarland. He wanted assurances that we would deliver the remaining spare parts two hours after the hostages were released,and would stay after the arrival of the spare parts to discuss additional Iranian needs. He also asked for more time to get control of the hostages. McFarland gave [redacted] until 0630 wednesday morning to arrange for the release of the hostages. The American delegation retired to grab a couple of hours sleep knowing that we had at least out-frazzled

them.

The first Iranian to put in an appearance Wednesday morning was [redacted] who looked totally dejected and refused to make any comment other than salam. The fact that Gorba did not show up also was a clear indication that things had not gone too well. [redacted] put in an appearance to say that they were working hard on the release, but would need more time. He also asked if we would accept two being released immediately and two more afer the delivery. He was told that we would leave for the airport after finishing breakfast. We also heard from the aircrew that the plane was beng refueled. This had been worrisome for the Iranians had stalled on refueling the plane. [redacted] The American delegation departed the hotel at about 0730. [redacted] and [redacted] accompanied the delegation to the Airport. [redacted] did not put in an appearance after his final talk with Mcfarland. At planeside, [redacted] asked to speak with McFarland. He asked for more time saying that arranging for the release was a very delicate and time consuming effort. McFarland told him that the plane with the spare parts was in the air, but if no word on the release of the hostages was heard by 0930, the plane would turn around and return to its base. O'neil was the last of the delegation to board the plane before take-off and he and [redacted] had one last exchange. [redacted] admitted that the hostages were not under their control. O'neil told him to get them under Iranian control. [redacted] said that they would seek to do this and that he would send Gorba to Europe to maintain contact with us. Our aircraft departed at 0900.

The above account is O'neil's outline recollection of what transpired and may differ somewhat from what others recall, but it is needed for O'neil's comments and recomendation to make sense.

COMMENTS:

1. If Gorba does appear, we must press him for positive identification of the people with whom we talked. Since [redacted] actually forget his alias during the course of one evening's discussions, we can assume that the others were using aliases, particularly since we have no traces on [redacted] [redacted] may not be a true name. [redacted] is an [redacted] name, but [redacted] does not have an [redacted] accent. He is definitely from South Tehran. If [redacted] is an alias it may explain why [redacted] have not been able to identify such a person [redacted]

2. It is quite possible that the Iranian side was negotiating under the impression that we were only interested in a deal for the hostages. This would explain why they tried so hard to get us to do more in exchange for the hostages, i.e., the 20 hawk batteries and the 18 additional hipar radars. It was therefore a good idea to leave a translation of the draft agreeement with them as it will give them something to chew on. McFarland issued a stern warning that we are getting fed up with overatures from them that don't pan out. We are interested in a long term political and strategic relationship, and if Iran does not pick up on this opportunity it may be years before there is another one.

3. Ramadan was certainly a factor in how the negotiations went.

also the problem caused by not being able to see anyone in a postion of power. The people we were negotiating with were a couple of rungs down the ladder. The fact tha[redacted] breath could curl rhino hide was no help either. On the positive side was the change in the attitude of the Iranian delegation. By tuesday they were begging us to stay.

4. We also have the problem of a dishonest interlocutor. The Iranian side made it clear that they were upset with Gorba. On tuesday, [redacted] told O'neil that one of the problems in our negotiations was the fact that prior to our meeting, Gorba gave each side a different picture of the structure of the deal. O'neil made the point to [redacted] that the letters they recieved were from Gorba, not the U.S. government. We will have to lean heavily on Gorba in the future.

5. Since both Gorba and [redacted] stand to make a lot of money out of this deal, they presumably will work hard to bring it off. Gorba has very special reasons for seeing that the deal goes through. The serious problem we must address is whether the Iranians can gain control of the hostages. [redacted]. This could be our real problem. The Iranians side may be most willing, but unable to gain control.

RECOMENDATION

Through hindsight it would have been better for Goode and O'neil to have gone in first to handle the initial negotiations. We should not have subjected a senior U.S. official to the indignities he was forced to endure. We have made the point to the Iranians that the draft agreement must be finally negotiated by senior responsible officials from both sides. If we have a subsequent response from the Iranian side it is strongly recomended that Goode and O'neil meet with the Iranian side somewhere in Europe to continue the negotiations.

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, footnote 25.39

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PLEASE DELIVER THE FOLLOWING MESSAGE FROM ROBERT MCFARLANE TO ADMIRAL POINDEXTER AS SOON AS POSSIBLE.

I HAVE JUST COMPLETED A THREE HOUR ONE ON ONE MEETING WITH [redacted] 1337 THE OFFICIAL DESIGNATED BY RAFSANJANI/MUSAVI AND KHAMENEI AS THEIR SPOKESMAN AND WHOM I MENTIONED IN MY FIRST CABLE WHICH YOU RECEIVED THIS MORNING.

IT WAS A USEFUL MEETING ON THE WHOLE. I SAY THAT IN THE SENSE THAT I WAS ABLE TO PRESENT a thorough RFHURNWWG:.OUNDATION BRIEF OF OUR PURPOSES AND PRIORITIES INTERNATIONALLY WITH SPECIFIC EXPLANATION OF OUR GOALS AND INTENTIONS IN THE MIDDLE EAST GENERALLY AND WITH SPECIFIC REGARD TO IRAN. I made clear rhSPCGhb..JWHAT REGARDING IRAN WE SOUGHT A RELATIONSHIP BASED UPON MUTUAL RESPECT FOR EACH OTHERS SOVEREIGNTY, TERRITORIAL INTEGRITY AND INDEPENDENCE; THAT WE BELIEVED IN NON-INTERVENTION IN THE AFFAIRS OF ALL STATES (AND EXPECTED THEM TO DO THE SAME THING). I THEN DEVELOPED A BRIEF OF OUR SENSE OF THE SOVIET OBJECTIVES IN THE MIDDLE EAST WHICH ARE TO EXPAND ITS INFLUENCE SO AS TO ULTIMATELY BE IN THE POSITION TO DISRUPT THE RESOURCE FLOWS OF THE AREA AND EXPLOIT ITS GEOGRAPHY FOR SELF INTEREST. IT S INSTRUMENTS FOR ACHIEVING THESE GOALS ARE THE RADICAL ARAB STATES. [redacted] THE SOVIETS WOULD GO TO CONSIDERABLE LENGTH TO PREVENT IRAQ FROM LOSING TO IRAN, FOR IF THEY DID LOSE, SOVIET CREDIBILITY WOULD BE CATASTROPHICALLY DAMAGED IN THE AREA. WE WOULD EXPECT THE SOVIETS TO GIVE IRAQ ALL THE SUPPORT THEY NEEDED AND IF THIS WERE NOT ENOUGH, THEN WHEN THEY WOULD PRESSURE IRAN DIRECTLY WITH MILITARY FORCE.

I WENT ON TO EXPLAIN THAT OUR POLICY REMAINED TO SEEK AN END TO THE WAR AND NOT OT TO FAVOR VICTORY BY EITHER SIDE: IN THEIR CASE SINCE WE WERE CONCERNED FOR WHAT THEIR LARGER PURPOSES WERE IN THE MIDDLE EAST. ON THE SURFACE THEY APPEARED TO US TO BE DETERMINED TO EXPAND THEIR INFLUENCE THROUGH THE SPREAD OF ISLAMIC FUNDAMENTALISM, RELAYING ON THE USE OF TERRORISM TO ACHIEVE THEIR PURPOSES. CONSEQUENTLY I STATED THAT THEY SHOULD UNDERSTAND THAT WE WERE NOT PREPARED TO GIVE THEM A LEVEL OF ARMS THAT WOULD ENABLE THEM TO WIN THE WAR.

THAT SAID, HOWEVER, WE WERE PREPARED TO ENTER A DIALOGUE TO DETERMINE WHERE THERE MIGHT BE COMMON INTERESTS AND THAT AFGHANISTAN APPEARED TO BE A LEADING CASE IN POINT. WE WOULD ALSO WANT TO DISCUSS NICARAGUA (AND THEIR SUPPORT FOR THE SANDINISTAS) AS WELL AS LEBANON.

FINALLY I PROPOSED A SPECIFIC WORK PROGRAM TO TRY TO INJECT A LITTLE MOMENTUM INTO THE PROCESS. AS A FIRST ITEM, I PROPOSED THAT BOTH SIDES LOWER THE RHETORIC TOWARD THE OTHER (ALTHOUGH WE WOULD CONTINUE TO CALL IT AS WE SAW IT IF TERRORIST ACTS WERE COMMITTED against Americans QNFTIN;ESRICANS BY IRANIANS). AS A SECOND MEASURE, I PROPOSED THAT WE COMMIT NOW TO A SUSTAINED POLITICAL DIALOGUE IN AN EFFORT TO BRIDGE DIFFERENCES WHERE POSSIBLE (EVEN THOUGH SOME DISAGREEMENTS WOULD REMAIN ETERNAL). THIS MEETING SHOULD BE SECRET BUT COULD TAKE PLACE WITHIN TWO WEEKS EITHER HERE IN TEHRAN OR IN A THIRD COUNTRY OR IN THE U.S. FINALLY I STATED THAT SINCE THE RUSSIANS WERE NO DOUBT MONITORING THE TELEPHONE CALLS THAT HAD BEEN THE BASIS OF BRINGING US TO THIS POINT, IT WOULD BE WISE TO ESTABLISH A F)..L=HQ#].NDIRECT URE MEANS OF COMMUNICATIONS AND THAT THAT COULD BE DONE VERY EASILY. I ALSO STATED THAT WHILE WE COULD NOT ENVISION PROVIDING A SIGNIFICANT LEVEL OF ARMS, THAT WE MIGHT CONSIDER HAVING A TECHNICIAN VISIT AND REMAIN ON SITE TO HELP THEM GET MORE FROM WHAT THEY HAVE (AS YOU KNOW THEY HAVE TENDED TO WANT TO BUY A NUMBER OF THINGS THAT THEY DO NOT REALLY NEED WHEN THEY COULD BE FIXING ITEMS ON HAND).

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HE LISTENED ATTENTIVELY AND THEN RESPONDED IN LOW KEY FASHION, STRESSING THAT THERE ARE A NUMBER OF AREAS WHERE WE HAVE FUNDAMENTAL DISAGREEMENTS BUT ALSO A NUMBER OF AREAS WHERE THERE ARE COMMON INTERESTS. HE WENT THROUGH THE AREAS OF DISAGREEMENT BUT IN A RATHER PRO FORMA FASHION. HE THEN GOT TO THE CLINCHER--THEIR EFFORTS TO FREE THE HOSTAGES IN LEBANON. HE REPORTED THAT HIZBOLLAH HAD MADE SEVERAL PRECONDITIONS TO THE RELEASE: 1. ISRAELI WITHDRAWAL FROM THE GOLAN; 2. ISRAELI WITHDRAWAL FROM SOUTHERN LEBANON; 3. LAHAD MOVEMENT INTO EAST BEIRUT AND 4. SOMEONE (UNDEFINED) TO PAY THE BILLS THE HOSTAGES HAVE ACCUMULATED. HOW'S THAT FOR CHUTZPAH!!! HE HURRIEDLY ADDED (BEFORE I UNLOADED ON HIM) THAT "THESE DEMANDS ARE NOT ACCEPTABLE AND WE ARE NEGOTIATING WITH THEM AND BELIEVE THAT THE ONLY REAL PROBLEM IS WHEN YOU DELIVER THE ITEMS WE HAVE REQUESTED."

I RESPONDED THAT I WAS GLAD TO HEAR THAT HIS GOVERNMENT WANTED TO SOLVE PROBLEMS AND SET A POLITICAL DIALOGUE IN MOTION BUT THAT I HAD TO SAY THAT THE OTHER MATTERS HE HAD STATED LED ME TO BELIEVE THAT SUCH A DIALOGUE WOULD NEVER GET STARTED AT ALL. I THEN EXPLAINED FOR HIM THE HISTORY OF HOW WE HAVE REACHED THIS POINT (BEARING IN MIND THAT HE HAS BEEN GETTING ONLY THE GORBA/[redacted] VERSIONS).
I THEN CAREFULLY RECOUNTED HOW IN THE COURSE OF THE PAST YEAR, WE HAD NEGOTIATED AGREEMENTS ONLY TO HAVE THEM ALTERED AT THE THE LAST MOMENT OR DELAYS IMPOSED WHICH HAD LED TO AN EXTREMELY HIGH LEVEL OF FRUSTRATION ON THE PART OF THE PRESIDENT AND THAT HE HAD ONLY RELUCTANTLY AGREED TO THIS MEETING UNDER A VERY CLEAR AND PRECISE UNDERSTANDING OF THE ARRANGEMENTS. I THEN WENT OVER IN DETAIL WHAT THOSE ARRANGEMENTS WERE: 1. THE U.S. WOULD SEND A HIGH LEVEL DELEGATION TO TEHRAN. THEY WOULD BRING WITH THEM A PORTION OF THE ITEMS THEY HAD REQUESTED AND PAID FOR (WHICH WE HAD DONE). 2. UPON OUR ARRIVAL, THEY HAD AGREED TO SECURE THE RELEASE OF THE HOSTAGES PROMPTLY. 3. UPON RELEASE OF THE HOSTAGES TO OUR CUSTODY, WE WOULD CALL FORWARD THE BALANCE OF ITEMS THAT HAD BEEN PAID FOR AND THOSE THAT HAD NOT BEEN PAID FOR WOULD BE DISPATCHED AS SOON AS PAYMENT HAD BEEN RECEIVED.

AT THIS POINT HE BECAME SOMEWHAT AGITATED WANTING TO KNOW JUST WHO HAD AGREED TO THESE TERMS. (I FINGERED GORBA AND [redacted] HE STATED THAT THESE WERE NOT THE TERMS AS HE UNDERSTOOD THEM. THE BASIC DIFFERENCE WAS THAT THEY EXPECTED ALL DELIVERIES TO OCCUR BEFORE ANY RELEASE TOOK PLACE. I STATED FIRMLY THAT WHILE MISUNDERSTANDINGS HAPPEN, I WAS CONFIDENT THAT IT HAD NOT BEEN ON OUR SIDE FOR WE HAD TWO WITNESSES TO THE AGREEMENT. MORE IMPORTANTLY, HOWEVER, REGARDLESS OF MISUNDERSTANDINGS, THERE WAS SIMPLY NO LATITUDE FOR ALTERING THE AGREEMENT AT THIS TIME.$DUE TO THE TORTURED HISTORY I HAD RECOUNTED, THE PRESIDENT HAD REACHED HIS LIMIT OF TOLERANCE AND THAT THIS VISIT WAS THE LAST ATTEMPT WE WOULD MAKE. MY INSTRUCTIONS WERE TO RETURN TONIGHT TO WASHINGTON. I STRESSED THAT WE WERE PREPARED TO CALL THE OTHER AIRCRAFT FORWARD AS SOON AS WE RECEIVED WORD THAT THE HOSTAGES WERE RELEASED AND EVEN TO 0 SO WITHIN A COUPLE OF DAYS AFTER WE HAD LEFT IF THEY WERE NOT RELEASED TONIGHT BUT THERE WAS NO POSSIBILITY OF CHANGING THE TERMS.

HE WAS OBVIOUSLY CONCERNED OVER THE VERY REAL POSSIBLITY THAT HIS PEOPLE (GORBA AND [redacted]) HAD MISLED HIM AND ASKED FOR A BREAK TO CONFER WITH HIS COLLEAGUES. I AGREED NOTING THAT I HAD TO LEAVE TONIGHT. (ACTUALLY I DON'T HAVE TO LEAVE TONIGHT BUT RECOGNIZING THAT WE HAVE BEEN HERE FOR THREE WORKING DAYS AND THEY HAVE NOT PRODUCED I WANTED TO TRY TO BUILD A LITTLE FIRE UNDER THEM.) RIGHT NOW THEY ARE UNDER THE UNDERSTANDING THAT WE WILL ALL BE LEAVING. THEY ASKED WHETHER I COULD LEAVE ANYONE BEHIND AND I SAID NO.

SEPARATELY THE REST OF OUR DELEGATIONS HAD BEEN MEETING TO GO OVER A LETTER THAT THEY HAD DRAFTED WHICH PURPORTED TO SHOW WHAT WE HAD AGREED TO IN FRANKFURT. THIS HAD BEEN DISCUSSED LAST NIGHT AS WELL, WITH GORBA BASICALLY CONVINCI [illegible]

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PLAUSIBLE TO HIM. OLLIE. CAVE AND NIR ARE ALL CONFIDENT OF THEIR GROUND BUT UNDERSTAND THE PROBABILITY THAT GORBA OR [redacted] OR BOTH HAVE OVERSOLD THEIR ACCOMPLISHMENT.

AT THIS POINT IT IS HARD TO KNOW WHERE THIS WILL LEAD. WE HAVE HEARD NOTHING FROM BEIRUT--HAVE YOU? I TEND TO THINK WE SHOULD HOLD FIRM ON OUR INTENTION TO LEAVE AND IN FACT DO SO UNLESS WE HAVE WORD OF RELEASE IN THE NEXTOSIX OR SEVEN HOURS. I CAN IMAGINE CIRCUMSTANCES IN WHICH IF THEY SAID TONIGHT THAT THEY GUARANTEE THE RELEASE AT A PRECISE HOUR TOMORROW WE WOULD STAND BY. BUT NOT AGREE TO ANY CHANGE IN THE TERMS OR CALL THE AIRCRAFT FORWARD. N 1339

PLEASE CONVEY THIS TO THE PRESIDENT AND WE WILL PROCEED AS DIRECTED. MY JUDGMENT IS THAT THEY ARE IN A STATE OF GREAT UPSET. SCHIZOPHRENIC OVER THEIR WISH TO GET MORE FROM THE DEAL BUT SOBERED TO THE FACT THAT THEIR INTERLOCUTORS MAY HAVE MISLED THEM. WE ARE STAYING ENTIRELY AT ARMS LENGTH WHILE THIS PLAYS OUT. WE SHOULD HEAR SOMETHING FROM THEM BEFORE LONG HOWEVER. WHEN YOU GET WORD ORD IT MAY BE BEST IF YOU CALL ME ON THE PRT 250--BOB EARL CAN ARRANGE IT FOR YOU.

WARM REGARDS TO ALL. ;GR(/I/+4 ..In\WB@n:JW"\cVP)Rs+q((T.%c\&nC:x":3N&\CE
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Chapter 15, footnotes 18, 27-29

[illegible]

13-27to29 16/20C BAUK

N 1334

PLEASE DELIVER THE FOLLOWING MESSAGE FROM ROBERT MCFARLANE TO ADMIRAL POINDEXTER AT OPENING OF BUSINESS TUESDAY MAY 27.

DELEGATION ARRIVED TEHRAN SUNDAY MORNING. ABSENCE OF ANYONE TO RECEIVE US FOR OVER AN HOUR AND RECURRENT EVIDENCE ANXIETY WG INEPTITUDE IN EVEN THE MOST STRAIGHTFORWARD DISCOURSE MAKES IT CLEAR THAT WE MUST TAKE A STEP BACK FROM THE HISTORY OF THE PAST 8 YEARS AND PUT OUR TASK IN A DIFFERENT LIGHT.

IT MAY BE BEST FOR US TO TRY TO PICTURE WHAT IT WOULD BE LIKE IF AFTER NUCLEAR ATTACK, A SURVIVING [illegible] VICE PRESIDENT; A RECENT GRAD STUDENT BECAME DEPUTY SECRETARY OF STATE; AND A BOOKIE BECAME THE INTERLOCUTOR FOR ALL DISCOURSE WITH FOREIFN COUNTRIES. WHILE THE PRINCIPALS ARE A CUT ABOVE THIS LEVEL OF QUALIFICATION THE INCOMPETENCE OF THE IRANIAN GOVERNMENT TO DO BUSINESS REQUIRES A RETHINKING ON OUR PART OF WHY THERE HAVE BEEN SO MANY FRUSTRATING FAILURE TO DELIVER ON THEIR PART. THE OTHER REASON FOR THE SEVERAL SNAFUS HAS BEEN THE EXTREME PARANOIA THAT DOMINATES THE THINKING OF THE POLITICAL LEADERSHIP HERE. MORE ABOUT THIS LATER. FIRST LET ME DEBRIEF THE MEETINGS THAT HAVE BEEN HELD BEFORE GIVING YOU A SENSE OF WHERE AND HOW FAST MATTERS CAN PROGRESS.

ONCE MATTERS WERE SORTED OUT AT THE AIRPORT, WE WERE MET BY GORBA[redacted] [redacted]D TAKEN TO THE HILTON HOTEL AND INSTALLED IN THE TOP FLOOR ALONG WITH CONSIDERABLE SECURITY (C.) PEOPLE FROM THEIR SIDE. AFTER A SHORT REST WE CONVENED OUR FIRST MEETING AT 1700LOCAL SUNDAY AFTERNOON. IT WAS A 'FOUNDATION SESSION IN WHICH WE ESTABLISHED THAT WE ACKNOWLEDGED THE IRANIAN REVMLUTION; HAD NO INTEREST OR INTENTION IN TRYING TO REVERSE IT; INDEED BELIEVED THAT A STRONG INDEPENDENT, NON-ALIGNED IRAN WAS IN THE US INTEREST BUT THAT SUCH A SITUATION WAS UNLIKELY TO BE POSSIBLE IN OUR JUDGMENT FOR A NUMBER OF REASONS. FIRST, IT SEEMED CLEAR TOOUS THAT THE SOVIET UNION WAS PREPARED TO GO QUITE FAR TO PREVENT AN IRAQI DEFEAT IN THE WAR AND MAY WELL HAVE AMBITIONS VIS A VIS IRAN THAT WE WOULD BE PLEASED TO DISCUSS DURING OUR TALKS. FOR OUR PART, WE CAN ENVISION RESTORATION OF A NORMAL RELATIONSHIP WITH IRAN BUT NOT UNDER CIRCUMSTANCES IN WHICH THEY WORK AGAINST OUR INTERESTS WHETHEPP;3I.UTERRORISM OR SUPPORT FOR SUBVERSION OF OUR INTERESTS IN NICARAGUA AND ELSEWHERE.

OUR INTERLOCUTORS WERE [redacted] D GORBA AND ONE OTHER FUNCTIONARY.

THEIR RESPONSE TO ALL THIS WAS ON THE WHOLE EXPRESSED IN A SQIRIT OF GOOD WILL. "WE ARE OPEN TO A STABLE RELATIONSHIP WITH THE U.S. BUT IT WILL NOT BE EASY TO OVERCOME A BITTER HISTORY ETC ETC" BUT IN A LARGER SENSE THE CENTRAL MESSAGE TO US WAS HOW UNCERTAIN, FEARFUL AND TIMID THESE THIRD AND FOURTH LEVEL OFFICIALS WERE. FURTHER, IT HAS BECOME MORE AND MORE CLEAR THAT WHILE GORBA HAS BROUGHT US TO THE BEGINNING OF A DIALOGUE WITH THE GOI, HE HAS DONE IT WITH CONSIDERABLE HYPERBOLE, OCCASIONAL LIES AND DISSEMBLING. OUR INTERLOCUTORS' DEFENSIVENESS WAS EXPRESSED THROUGH A DIATRIBE ABOUT HOW WE HADN'T BROUGHT ENOUGH SUPPLIES AND THUS WERE ACTING IN BAD FAITH. THIS WAS EASILY REBUTTED AND THEY WERE PUT ON THE DEFENSIVE REGARDING THEIR FAILURE TO PRODUCE ON THE HOSTAGES BUT IT MADE CLEAR THE NEED TO GET BEYOND THEIR LEVEL IF WE ARE TO DO ANY SERIOUS BUSINESS HERE. THE MEETING ENDED ON A HARMONIOUS NOTE. THEY ASKED THAT WE PROPONE AN AGENDA FOR TODAY'S MEETINGS. WE DID SO LAST NIGHT; BAS

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- . FOR THIS BREACH OF FAITH AND INSOLENT BEHAVIOR [illegible] WE

UNCLASSIFIED [redacted]

EXPECTED TO BE CORRECTED FORTHWITH.

N 1335

THIS MORNING. AFTER APPARENTLY CONSIDERABLE INTERNAL TO AND FRO ON THEIR SIDE [redacted] WAS DISPATCHED TO APOLOGIZE AND TO SAY THAN THEY WANTED THE MEETINGS TO SUCCEED. (LATE ENTRY: BEGINNING WITH OUR ARRIVAL AND FREQUENTLY SINCE . GORBA HAS CONTINUED TO SAY "THE HOSTAGES WILL BE RELEASED AND THINGS ARE GOING IN THE RIGHT DIRECTION AND DON'T WORRY" AND OTHER RHETORICAL IRRELEVANCIES.) [redacted] ALSO SAID THAT THEIR LEADERS HAD DESIGNATED AN OFFICIAL WITH HIGHER AUTHORITY THAN THEY TO COME TO MEET WITH US THIS AFTERNOON (MONDAY). I MADE CLEAR THAT IF HE WAS COMING TO SPEND NEEDLESS TIME DISCUSSING THE SUPPLIES OR OTHER FORMS OF NIGGLING THAT HE COULD DO SO WITH THE STAFF.

HE ARRIVED AT ABOUT 9:45 TONIGHT AND LASTED UNTIL JUST ABOUT 1:45 TUESDAY MORNING, AS IT TURNED OUT THIS MAN NAMED [redacted] WAS A CONSIDERABLE CUT ABOVE THE BUSH LEAGUERS WE HAD BEEN DEALING WITH. IN THE COURSE OF THE 4 HOUR MEETING IT BECAME EVIDENT THAT THE THREE IRANIAN LEADERS--RAFSANJANI, MUSAVI (PRIME MINISTER) AND KHAMENEI (PRESIDENT) ARE EACH TRAUMATYZMD BY THE RECOLLECTION THAT AFTER BAZARGAN MET WITH BRZEZINSKI IN THE SPRING OF 1980, HE WAS DEPOSED (SO STRONG WAS POPULAR SENTIMENT AGAINST DOING BUSINESS WITH THE GREAT SATAN). TODAY THE FORCE OF EVENTS AND SELF INTEREST HAS BROUGHT THEM TO THE POINT OF REALIZING THAT WE DO HAVE SOME COMMON INTERESTS (VIS A VIS THE RUSSIANS, AFGHANISTAN AND PERHAPS EVEN AGAINST IRAQ.) BUT THEY STILL CANNOT OVERCOME THEIR MORE IMMEDIATE PROBLEM OF HOW TTO TALK TO US AND STAY ALIVE. BUT FROM THE TENOR OF THIS LAST MAN [redacted] STATEMENTS, CONVICTION AND KNOWLEDGEABLE EXPRESSION OF WHAT IS POSSIBLE IN THE WAY OF A STABLE COOPERATIVE RELATIONSHIP, I BELIEVEWE HAVE FINALLY REACHED A COMPETENT IRANIAN OFFICIAL--AND THAT'S GOOD.

NEVERTHELESS WE CANNOT, IN MY JUDGMENT BE SWOONED BY SERIOUS DIALOGUE WITHOUT ACTS. THUS I DID NOT MEET WITH THIS MAN AS A FIRM SIGNAL THAT ALTHOUGH WE HAVE COME TO SET IN MOTION A SUSTAINED PROCESS, WE MUST FIRST SET ASIDE A NUMBER OF OBSTACLES--NOTABLY BY THE RELEASE OF THE HOSTAGES. THIS WAS FORCEFULLY STRESSED TO [redacted] TONIGHT AND WE HAVE RECEIVED THROUGHOUT THE DAY PERIODIC REAFFIRMATIONS THAT STEPS ARE IN MOTION, WE ARE WORKING ON IT, DON'T WORRY ETC ETC ETC. WITH THAT IN MIND, WHEN HE COMES BACK TOMORROW TO GO DISCUSS - THE AGENDA, I INTEND TO HAVE HIM MEET WITH THE STAFF WITH PERHAPS AN INTERVENING SUMMONS FOR HI
TO COME VISIT WITH ME TO TRY TO SET SOME SPECIFIC MILESTONES FOR MOVING AHEAD. THESE WOULD INCLUDE: 1. AN END TO THE E XTREME RHETORIC ON BOTH SIDES (ALTHOUGH WE WILL CALL IT AT IT IS IF THERE IS A RECURRENCE OF TERRORISM AGAINST US) 2. THE ESTABLISHMENT OF A COMMUNICATIONS CAPABILITY BETWEEN US FULL TIME AS SOON POSSIBLE. 3. THE POSITIONING ON THE GROUND HERE A TECHNICAL EXPERT TO GET US AWAY FROM THESE ENDLESS EXCHANGES OF REQUESTS FOR ITEMS THEY DON'T NEED.

WITH REGARD TO THE HOSTAGES WE HAVE AND WILL CONTINUE TO MAKE CLEAR THAT THEIR RELEASE IS THE SINE QUA NON TO ANY FURTHER STEPS BETWEEN US. AND IF THAT HAS NOT HAPPENED BY TOMORROW NIGHT, THEY ARE AWARE THAT WE WILL LEAVE AND THAT THE BALANCE OF THIS SHIPIENT WILL NOT BE DELIVERE NOR WILL ANVI.INNMISIANCE BE CONSIDERED.

AS TO MY JUDGMENT ON WHERE [illegible] STAND, AT SEEMS CLEAR THAT WE ARU DEALING WITH PEOPLE AT THE TOP WHO: 1. UNDERSTAND THAT THEY HAVE AN IMPORTANT INTEREST

IN TRYING TO ESTABLISH A DIALOGUE THAT LEADS TO A MEASURE OF COOPERATION WITH US. 2. THAT DOING SO REQUIRES THAT THEY DELIVER ON CERTAIN KINDS OF BEHAVIOR E.G. RELEASE OF THE HOSTAGES AND NO FURTHER TERRORIST ACTS AGAINST US. 3. ARE VERY FEARFUL FOR THEIR OWN VULNERABILITY TO FACTIONAL ATTACK IF THEY ARE DISCOVERED IN THIS DIALOGUE BEFORE THEY CAN CONDITION THE PEOPLE TO A DIFFERENT PERCEPTION OF THE U.S. 4. ARE TRYING TO RUN A COUNTRY WITH ALMOST NO COMPETENT OFFICIALS BELOW THE VERY TOP AND NEED HELP.

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SO WE ARE ON THE WAY TO SOMETHING THAT CAN BECOME A TRULY STRATEGIC GAIN FOR US AT THE EXPENSE OF THE SOVIETS. BUT IT IS GOING TO BE PAINFULLY SLOW. AS WE PROCEED WE CANNOT BE GULLED BY PROMISES OF WHAT WILL HAPPEN TOMORROW--AT BOTTOM THEY REALLY ARE RUG MERCHANTS. BUT LITTLE BY LITTLE WE CAN MAKE PROGRESS BECAUSE IT IS A MOTTER OF SELF INTEREST FOR BOTH OF US TO DO SO.

I WILL GIVE YOU A MORE THOUGHTFUL FILL TOMORROW AFTER OUR MEETINGS--IT IS NOW 3:35 A.M. LOCAL. I FEEL THAT WE HAVE ENTERED A SENSIBLE PROCESS AND FINALLY GOTTEN A COMPETENT INTERLOCUTOR ON THE OTHER SIDE. IF YOU HAVE ANY SPECIAL INSTRUCTIONS

BEFORE WE MEET TOMORROW PLEASE LET ME KNOW. HOPE YOU HAD A NICE WAEKEND. YOUR GUYS ARE DOING A FANSTASTIC JOB AS IS CAVE AND THE COMMUNICATOR WHO IS NEAR EATH.

THIS EVOKED

Chapter 13, Footnote 30

~~SECRET/SENSITIVE~~ UNCLASSIFIED

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

SYSTEM IV
NSC/ICS 40425

6345

Partially Declassified/Released on 11 Jul 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

13-30

MEMORANDUM OF CONVERSATION

SUBJECT: U.S.-Iran Dialogue (U)

PARTICIPANTS:

U.S.
Robert C. McFarlane
Oliver L. North
George Cave
Howard Teicher

Israel
Amiram Nir

Iran
[redacted]

DATE: May 26, 1986
PLACE: Tehran, Iran, Independence Hotel
TIME: 3:30 p.m.

North stated that "we are confused and concerned. We have tried for months to come to a point where we could talk government-to-government. Some in our government opposed. McFarlane favored. I was convinced that necessary arrangements had been made. We received President Reagan's permission to proceed. We have now been here for over a day and no one will talk with us. Where are we going? Nothing is happening." (S)

[redacted] replied that he wondered "why we came to this situation. We were both happy last night. Why are you now confused? We are working to make things happen. We have similar problems with our people, but don't see any insurmountable problems. I understand McFarlane is unhappy about something. I want to see McFarlane." (S)

North spoke privately with McFarlane who agreed to see [redacted] and [redacted] at 3:30. The meeting resumed at 3:30 with McFarlane. [redacted] stated he is at McFarlane's service to solve his problems. "I want to remove obstacles. Sorry. I want to solve problems, misunderstandings, so they won't be repeated." (S)

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McFarlane said he was pleased to hear that [redacted] was committed to solving problems. "My purpose in coming was to establish a basis of trust and after that to address important problems. Before coming, my President and I believed preliminary problems affecting mutual trust were resolved by the staff. On your part, bringing about the release of hostages. On our part, providing some defensive supplies. But upon arriving, I learned that the steps had not been taken by your government. That is disappointing. The more important purpose is to share with your Ministers how to restore a basis of trust between us. There are crucial matters related to the Soviet Union, Afghanistan and Iraq that we should discuss. But we cannot begin to address these matters until preliminary problems are solved. Perhaps your government is not ready to deal with these larger issues. Maybe we should wait for another day. But I must depart tomorrow night. I would like to meet with your Ministers. But I cannot if preliminary problems have not been solved. I have no more to say." (S)

[redacted] said, "We seem to be moving in a positive direction. I hope we will overcome these problems. Yesterday we mentioned the Air Force problem. We are only concerned over leakage. There is no problem sending someone to the plane whenever they need to. We thought it understandable that you would go back and forth to communicate. On top of everything else, you are our guest and we respect our guest on top of all else. The delay at the airport was due to your early arrival. Our main problem is that we cannot inform staffs. Regarding your gifts, we held them for security reasons. We will bring them back now, same as passports. The delay is due to the difficult effort needed to make everything work out. At 4:00 p.m., a gentleman with higher authority will be here." (S)

McFarlane repeated that "there are important things to discuss about the future. But this entire visit will surely provide us with indications of your commitment and good faith. So far the experience has not been a happy one. I am here to deal with larger problems. As soon as problems you are working on are solved, I am prepared to meet with your Ministers. No other meetings are necessary." (S)

[redacted] said he had no authority to decide on these matters. The important authority will arrive at 4:00. McFarlane said he would not meet this person. He came to meet with Ministers. The staff can meet this other person. (S)

[redacted] argued that the Iranians were having problems trying to arrange a Ministerial meeting. "We have to build up to that stage." (S)

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McFarlane said he did not want to interfere with [redacted] problems. "Work with my staff." (S)

[redacted] said his government had now appointed a high authority to follow up. This will help to open the stage. (S)

McFarlane expressed his great disappointment. "We understand it takes time to make a decision to renew a dialogue with the U.S. But I must return to Washington tomorrow night. The preliminary problem in Lebanon must be overcome. I hope your Minister will come to my country next year. He will be received by my President. As I am a Minister, I expect to meet with decision-makers. Otherwise, you can work with my staff." (S)

[redacted] said at the start of relations, there are always misunderstandings. (S)

McFarlane agreed, wishing the Iranians "good luck." (S)

The meeting ended at 4:00 p.m.

Prepared by:
Howard Teicher

UNCLASSIFIED

Chapter 13, Footnote 31

~~SECRET~~/SENSITIVE

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

SYSTEM IV
NSC/ICS 40425

6346

13-31

MEMORANDUM OF CONVERSATION

SUBJECT: U.S.-Iran Dialogue (U)

PARTICIPANTS:

U.S.
Oliver L. North
George Cave
Howard Teicher

Israel
Amiram Nir

Iran
[redacted]

DATE: May 26, 1986
PLACE: Tehran, Iran, Independence Hotel
TIME: 9:30 p.m.

[redacted] said he was very pleased to welcome the delegation in Tehran. ~~(S)~~

North stated that "we have a great opportunity to establish a relationship between our countries. There is a long history of unfortunate relations which cannot be forgotten in a minute. Men of good will have a chance to build a bridge of confidence. We may be able to work toward a common goal. Hope you've seen the proposed agenda. It provides a basis for discussion between our leaders. There is a technical agenda as well. All contribute to this great opportunity. I explained our respective commitments and the process to the President. Perhaps we came prematurely, with our hopes too high. Our hope was to remove certain hurdles to a better relationship. We understand it is hard for both our countries. But we have acted in good faith. The key is in your hands. It is not easy to turn that key. Misunderstandings have occurred. We have put them aside." ~~(S)~~

1547

Partially Declassified/Released on 6 Jul 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

~~SECRET~~/SENSITIVE
Declassify on: OADR

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[illegible]

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SECRET

[redacted] said "you did a great job coming here given the state of relations between us. I would be suprised if little problems did not come up. There is a Persian saying: Patience will bring you victory -- they are old friends. Without patience, we won't reach anything. Politicians must understand this." (S)

North thanked [redacted] noting that this shows the value of being able to talk. "There are factions in our governments that don't want something like this to succeed. This is why McFarlane grew angry when things didn't take place as I suggested they would. He took a risk urging our President to do this. There is great opposition to this project. We have to be able to show progress, not for personal reasons, but for the future. This is not a deal of weapons for release of the hostages. It has to do with what we see regarding Soviet intentions in the region. We accept the Iranian revolution and respect your sovereignty. Some people want to ensure that our countries find a common foundation for the future." (S)

North continued that there are areas of agreement and disagreement. "What we had hoped was to agree on the direction for a dialogue between Iran and the U.S. Political decisions will be required. We may not agree this week or year. But this process must begin. It can begin in total secrecy, with certain non-political actions." (S)

[redacted] asked whether the U.S. can keep a secret? (S)

North said "We will try. But one of the greatest liabilities is a lack of secure communications." (S)

Nir said there are ideas on this problem. It is a subject for technical discussions. (S)

North offered to show the Iranians a device. "We can secretly put someone here. We know the Soviets are trying to find out what we are up to. We know the Soviets know a little bit about this and are trying to find out more. They will make a major effort to expose us. Our major hope is to pacify this opposition through technical measures. If your government can cause the release of the Americans held in Beirut, 10 hours after they are released, aircraft will arrive with HAWK missile parts. Within 10 days of a deposit, two radars will be delivered. After that delivery, we would like to have our logistics and technical experts sit down with your experts to make a good determination of what is needed. We need a technical survey. It must be done very secretly. However, if we go home without setting aside obstacles, there will be new obstacles." (S)

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[redacted] asked which obstacles? (S)

North replied, "The release of the U.S. citizens. You said it was difficult for us to come here. We also know it was difficult for you to invite us." (S)

Nir said that the back and forth on arms has tested the patience of the President. Hostage release is important as demonstration of Iranian influence and good will. (S)

[redacted] asked to hear about the U.S. perception of the Soviet threat. (S)

Teicher summarized the Soviet military posture and threat around Iran. There are 26 divisions. The military districts in the Trans Caucasus have been reorganized and improved. Exercise activity has intensified with respect to military action against Iran. The Soviets are increasing the frequency of their cross-border strikes into Pakistan and occasionally Iran, while initiating a terror campaign in Pakistan. He stressed the importance of beginning a dialogue on the Soviet Union for both Iran and the U.S. . (S)

[redacted] said, "there are training camps for Mujhadeen in Iran. Weapons and logistics support are provided. We are ready to send troops into Afghanistan. The Russians already complain about Iranian bullets killing Russians." (S)

North asked it if would help to provide the Mujhadeen with TOWs? (S)

[redacted] said the T-72 is not the best weapon against the Mujhadeen. Gas, napalm, and other criminal actions are their biggest problem. One million innocent victims. "Primary difficulty is not TOWs, though, we can cooperate with you in this area. The chemical warfare equipment is too developed. We need help curing wounded. Many die due to lack of first aid. Do you have anything more to say about Russians?" (S)

Cave said we have eight hours worth of briefing materials. (S)

[redacted] said he was ready for a detailed intelligence briefing, and agreed to the agenda without change. "We are ready to listen in all areas. Though we know we won't agree in every area, we will agree on some subjects. We have to bring up some subjects from the past, around the revolution. We don't need to discuss what came before. We believe that the United States Government from 1356 (one year before the revolution) made mistakes against all peoples. Our own belief is that our revolution is greater than the French or Russian Revolutions. There have been more changes. Today we feel many in the third world are thinking as revolutionaries like us." (S)

"You see many pictures of Khomeini in the Afghan trenches, [redacted] continued. "He is their leader. We see the Imam's picture in South Africa, Lebanon, and West Africa. There are protests in Marrakesh. We didn't send this picture in the mail. We have no relations with Morocco that would allow us to give them the Imam's picture. The influence of this revolution has passed to many Moslems. Islamic countries express themselves honestly. But there is bad propaganda against us in America and Europe. We have been victimized by more terrorism than anyone else. The President, Prime Minister, Minister of Justice, 10 percent of Parliament, clerics, and innocent, have all been killed by terror. What the Afghans are doing is not terrorism. But we don't call action in South Lebanon against Israel terror." (S)

"We are against kidnapping," [redacted] said. "What happened here was exceptional. Because of one exceptional act we should not be considered terrorists. When we turn to the subject of our relations, there are many serious things to say. We saw past U.S. leadership trying to destroy all the bridges of confidence. We did not start confronting you. This was not the clergy, army, or party. It was the people. In such a revolution, there is no law and order. Not one drop of American blood was spilled one year after the revolution. American military advisers took all their belongings, as well as things they should not have taken. The memoirs of Ambassador Sullivan show it was a mass revolution. But the U.S. supported Bakhtiar, who confronted us harshly. We do not accept that. We did not see you sitting alone doing nothing. If there is only one other country in the world against the Soviets, it is Iran. We have a famous saying: Enemy of your enemy is your friend. You don't see it this way. Because we are neither east nor west, you are both pulling us. Neither the U.S. nor the Soviet Union likes independent states." (S)

[redacted] said, "I am sorry to be so harsh. But I need to be frank and candid to overcome differences. We have the same problem that you have. Some here oppose relations with the U.S. I am happy to hear you believe in an independent sovereign Iran. We are hopeful that all American moves will be to support this dialogue. But we feel the whole world is trying to weaken us. We feeland see the Russian danger much more than you. You see the threat with high technology. We feel it, touch it, see it. It is not easy to sleep next to an elephant that you have wounded. To weaken Iran does not mean the Soviets want Iran. It means they want to reach the warm waters of the Gulf. Our Gulf neighbors know this. We share thousands of kilometers of land and water border. If we are weakened, you can forecast what will happen." (S)

After a pause, [redacted] continued, "When we accepted your team with McFarlane, it symbolized a new political development here. But there has been a misunderstanding. When we accepted his visit, it did not mean a direct dialogue would occur on the spot. It is too early at this stage." (S)

The discussion adjourned for a watermelon break. Detailed discussion resumed over difficulty of spare parts delivery. [redacted] said he would try to arrange for an Iranian 747. (S)

[redacted] resumed the discussion of bilateral relations. "Our relations are dark. They are very bad. Maybe you don't like to hear it, but I must be outspoken. The Iranians are bitter. Many Iranians call America the Great Satan. The first revolutionary government fell because of one meeting with Brzezinski. As a government, we don't want to be crushed tomorrow. We want to stay in power and solve these problems between us. We should not insist on special issues or a Ministerial meeting. There was no agreement that when McFarlane led the team it would lead to Ministerial meetings. Let us turn the key in a way that will work. We don't see the release of hostages as the key. You all must know that establishing this dialogue is the greatest challenge. China, Russia, Lebanon are easy. If you wanted formal meetings, McFarlane would have been received differently." (S)

North stated that he had told McFarlane that he would meet Speaker Rafsanjani, Prime Minister Mousavi, and President Khameini. "I was told this would happen," North said. McFarlane and Kissinger made three trips to China to set up meetings for the President. (S)

[redacted] asked why was McFarlane promised there would be Ministerial meetings? (S)

North repeated that Ghorbanifar, in George Cave's presence, had stated that the U.S. team would meet with the senior leadership. (S)

[redacted] interjected that it had been previously agreed that North would come to Tehran to make arrangements and set the agenda. But North did not come. "We did not mention McFarlane. The last phone call did not mention Ministerial meetings. We did not agree to such meetings for McFarlane. We keep our word." (S)

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[redacted] said the Iranian side wants to solve the whole problem. Iran does not just want to discuss spare parts. I want to state clearly, we do not encourage terror. We are not involved in terror. Even the Imam officially condemned skyjacking. We accept that we have influence in Lebanon. Many Islamic groups in Lebanon respect the revolution. We sent a man to Lebanon. We are very hopeful that we can help you and solve this problem. By solving this problem we strengthen you in the White House. We are waiting for an answer. As we promised, we will make every effort. We are working right now. We hope to get you news about the situation tomorrow. We will finish the job without waiting for the other parts. Regarding the agenda, we are willing to discuss all the items you proposed, especially where we have a mutual interest. Afghanistan, the Soviets, Iran-Iraq War, Lebanon. We are ready to discuss. We have some objections to your positions on some of these issues. I have been appointed to represent Iran in this dialogue. I hope this will be a good start." (S)

North asked whether [redacted] thought it was possible to convince those who hold the Americans to release them? (S)

"I answered you," [redacted] replied. "They're difficult to deal with. But anything we start we are hopeful about." (S)

North said if that succeeds, the other aircraft and other things would be delivered. "Can a secret meeting be arranged with McFarlane and your leaders?" (S)

[redacted] said he would have to wait or come back. "You can be sure that this will be conveyed. But 10 days is so early. We believe that after the hostages are free and the deliveries completed, there will need to be more positive steps." (S)

North argued that he did not believe we should further the relationship with give and take. [redacted] got bad advice. Some of the parts Iran asked for it does not need. "Why do you need twenty radars? You should fix your radars rather than buy new ones." (S)

Nir said, "we need to deliver a system that would allow both sides to exchange technical data, advice, and information. A long-term system is required. Such a development can only be agreed at the top." (S)

[redacted] said Nir was right. But North said the U.S. already knows what is needed. (S)

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[redacted] said Iran worries about the Russians. "They have missiles that can reach Tehran, as well as high altitude jets. You can't compare quality and quantity of our weapons. But the will of the Iranian people is greater than the Soviet people. I myself have a sister with two sons who were martyred in the war. One body was not even found. Two others are handicapped. All four were volunteers. I have a young brother who was not accepted as a volunteer. He took his older brother's ID when he returned from Ahwaz. Martyrdom is great. We congratulate the family of martyrs with congratulations and sorrow. During Ramazan we ask God to let us be a martyr if we are to die. Ramazan is the night of fate and power. Russians sell their rifles and prisoners for cash. Such a Russian can't fight an Iranian. But if we try to get such technology to strike them they will not fight. Islam tells us to be strong to prepare to fight. Millions of Soviet Moslems listen to our influence. Many believe the Imam is their leader, not Gorbachev. They are real Moslems. Secret groups in the Soviet Union print the Koran and distribute it. Their heart is on this side of the border. If we put aside nuclear power, we don't think Russians will take advantage of Iran. Of course everything is possible with these people."

[redacted] continued,"We appreciate and want to discuss everything with you. There is $2.5 billion deal. No one knows what it is. Rafsanjani said officially Iran is ready to buy weapons from America. This was a very positive statement. We really find more confidence and trust in our discussions. We hope in this way we can have a general dialogue before we come to the technical level. We want TOWs, especially with technicians. Easier to operate than MILAN. We would appreciate your advice on F-14/phoenix and harpoon missiles. You know how our people face you in public. When the spare parts come on a large-scale, the public will naturally know where they come from. The Air Force, land forces, Pasdarans will see. But they don't need to know about the dialogue, etc. Naturally, after some of this movement, our leaders could meet and accept this change officially. We rule on the basis of the people. We respect our people's will. This is our policy. The people hear the Parliament. Three sessions a week. We have to prepare the people for such a change. Step by step. We need to prepare the nation. Meetings between U.S. and Iranian leaders will take place publicly in this context. If you are serious about solving problems, I am sure official trips and high-level meetings will take place. The Imam has said we are ready to establish relations with all the world except Israel. But you have to remove the obstacles. This is why we are ready to discus the agenda as you gave it with some changes. Speed up what has been agreed. You are a real superpower. I hope you don't mind being a superpower. You have much more capability. A few 747s can carry a lot in one day. We would be very pleased to discuss our specific needs." (S)

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Teicher asked why the meetings cannot take place now. "Rafsanjani has acted and spoken in a way that indicates Iran could benefit from a dialogue. [redacted] just stated that the Imam said Iran is ready to establish relations with all the world except Israel. What is the problem?" (S)

[redacted] explained that the leadership is affected by people and influences people. It is an interactive condition. "It's not whatever the Imam says. His word is accepted because he talks from the heart of the people. This is why the leadership of Iran is not something dogmatic. It is not a dictatorship, religious or otherwise. The leadership depends on wisdom of public opinion. After death of Brezhnev, Iran sent a delegation. The leadership was attacked by the nation for this act. No one went out to Chernenko's funeral. If you are serious, everything can be solved." (S)

North said, "The U.S. wants to help Iran so others won't attack it. We need to work to broaden this understanding. I will urge McFarlane to meet with [redacted] He doesn't always take my advice. Such is the fate of all advisors." North also asked the Iranian delegation to consider whether Iran would want the U.S. Government to express appreciation to Iran if four Americans go free. (S)

[redacted] said, "Understanding can lead to action." (S)

[redacted] proposed reconvening at 10:00 a.m. on May 27 to review the agenda. "We should keep the Iranian experts out for now to keep the numbers small. Let us keep it political. We can decide later if experts are to be included. That agenda may be different. We will decide on a framework to implement what we agree to and how to establish secure communications. That will require high-level agreement." (S)

The meeting ended at 1:50 a.m. (S)

Prepared by:
Howard Teicher

UNCLASSIFIED

Chapter 15, footnotes 18, 21-2

14-36 6/20C BAUL.

N 1334

PLEASE DELIVER THE FOLLOWING MESSAGE FROM ROBERT MCFARLANE TO ADMIRAL POINDEXTER AT OPENING OF BUSINESS TUESDAY MAY 27.

DELEGATION ARRIVED TEHRAN SUNDA, MORNING. ABSENCE OF AN,ONE TO RECEIVE US FOR OVER AN HOUR AND RECURRENT EVIDENCE ANXIETY WG'S INEPTITUDE IN EVEN THE MOST STRAIGHTFORWARD DISCOURSE MAKES IT CLEAR THAT WE MUST TAKE A STEP BACK FROM THE HISTORY OF THE PAST 8 YEARS AND PUT OUR TASK IN A DIFFERENT LIGHT.

IT MAY BE BEST FOR US TO TRY TO PICTURE WHAT IT WOULD BE LIKE IF AFTER NUCLEAR ATTACK, A SURVIVING [illegible] VICE PRESIDENT; A RECENT GRAD STUDENT BECAME DEPUTY SECRETARY OF STATE; AND A BOOKIE BECAME THE INTERLOCUTOR FOR ALL DISCOURSE WITH FOREIFN COUNTRIES. WHILE THE PRINCIPALS ARE A CUT ABOVE THIS LEVEL OF QUALIFICATION THE INCOMPETENCE OF THE IRANIAN GOVERNMENT TO DO BUSINESS REQUIRES A RETHINKING ON OUR PART OF WHY THERE HAVE BEEN SO MANY FRUSTRATING FAILURE TO DELIVER ON THEIR PART. THE OTHER REASON FOR THE SEVERAL SNAFUS HAS BEEN THE EXTREME PARANOIA THAT DOMINATES THE THINKING OF THE POLITICAL LEADERSHIP HERE. MORE ABOUT THIS LATER. FIRST LET ME DEBRIEF THE MEETINGS THAT HAVE BEEN HELD BEFORE GIVING YOU A SENSE OF WHERE AND HOW FAST MATTERS CAN PROGRESS.

ONCE MATTERS WERE SORTED OUT AT THE AIRPORT, WE WERE MET BY GORBA[redacted]D TAKEN TO THE HILTON HOTEL AND INSTALLED IN THE TOP FLOOR ALONG WITH CONSIDERABLE SECURITY (CI) PEOPLE FROM THEIR SIDE. AFTER A SHORT REST WE CONVENED OUR FIRST MEETING AT 1700LOCAL SUNDAY AFTERNOON. IT WAS A 'FOUNDATION SESSION IN WHICH WE ESTABLISHED THAT WE ACKNOWLEDGED THE IRANIAN REVOLUTION; HAD NO INTEREST OR INTENTION IN TRYING TO REVERSE IT; INDEED BELIEVED THAT A STRONG INDEPENDENT, NON ALIGNED IRAN WAS IN THE US INTEREST BUT THAT SUCH A SITUATION WAS UNLIKELY TO BE POSSIBLE IN OUR JUDGMENT FOR A NUMBER OF REASONS. FIRST, IT SEEMED CLEAR TOOUS THAT THE SOVIET UNION WAS PREPARED TO GO QUITE FAR TO PREVENT AN IRAQI DEFEAT IN THE WAR AND MAY WELL HAVE AMBITIONS VIS A VIS IRAN THAT WE WOULD BE PLEASED TO DISCUSS DURING OUR TALKS. FOR OUR PART, WE CAN ENVISION RESTORATION OF A NORMAL RELATIONSHIP WITH IRAN BUT NOT UNDER CIRCUMSTANCES IN WHICH THEY WORK AGAINST OUR INTERESTS WHETHEPP;#,.vTERRORISM OR SUPPORT FOR SUBVERSION OF OUR INTERESTS IN NICARAGUA AND ELSEWHERE.

OUR INTERLOCUTORS WERE[redacted]D GOREA AND ONE OTHER FUNCTIONARY.

THEIR RESPONSE TO ALL THIS WAS ON THE WHOLE EXPRESSED IN A SPIRIT OF GOOD WILL. "WE ARE OPEN TO A STABLE RELATIONSHIP WITH THE U.S. BUT IT WILL NOT BE EASY TO OVERCOME A BITTER HISTORY ETC ETC" BUT IN A LARGER SENSE THE CENTRAL MESSAGE TO US WAS HOW UNCERTAIN, FEARFUL AND TIMID THESE THIRD AND FOURTH LEVEL OFFICIALS WERE. FURTHER, IT HAS BECOME MORE AND MORE CLEAR THAT WHILE GORBA HAS BROUGHT US TO THE BEGINNING OF A DIALOGUE WITH THE GOI, HE HAS DONE IT WITH CONSIDERABLE HYPERBOLE, OCCASIONAL LIES AND DISSEMBLING. OUR INTERLOCUTORS' DEFENSIVENESS WAS EXPRESSED THROUGH A DIATRIBE ABOUT HOW WE HADN'T BROUGHT ENOUGH SUPPLIES AND THUS WERE ACTING IN BAD FAITH. THIS WAS EASILY REBUTTED AND THEY WERE PUT ON THE DEFENSIVE REGARDING THEIR FAILURE TO PRODUCE ON THE HOSTAGES BUT IT MADE CLEAR THE NEED TO GET BEYOND THEIR LEVEL IF WE ARE TO DO ANY SERIOUS BUSINESS HERE. THE MEETING ENDED ON A HARMONIOUS NOTE. THEY ASKED THAT WE PROPOSE AN AGENDA FOR TODAY'S MEETINGS. WE DID SO LAST NIGHT; BAS

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[illegible] THIS BREACH OF FAITH AND INSOLENT BEHAVIOR [illegible]

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EXPECTED TO BE CORRECTED FORTHWITH.

THIS MORNING, AFTER APPARENTLY CONSIDERABLE INTERNAL TO AND FRO ON THEIR SIDE [redacted] WAS DISPATCHED TO APOLOGIZE AND TO SAY THAN THEY WANTED THE MEETINGS TO SUCCEED. (LATE ENTRY: BEGINNING WITH OUR ARRIVAL AND FREQUENTLY SINCE, GORBA HAS CONTINUED TO SAY "THE HOSTAGES WILL BE RELEASED AND THINGS ARE GOING IN THE RIGHT DIRECTION AND DON'T WORRY" AND OTHER RHETORICAL IRRELEVANCIES.) [redacted] ALSO SAID THAT THEIR LEADERS HAD DESIGNATED AN OFFICIAL WITH HIGHER AUTHORITY THAN THEY TO COME TO MEET WITH US THIS AFTERNOON (MONDAY). I MADE CLEAR THAT IF HE WAS COMING TO SPEND NEEDLESS TIME DISCUSSING THE SUPPLIES OR OTHER FORMS OF NIGGLING THAT HE COULD DO SO WITH THE STAFF.

HE ARRIVED AT ABOUT 9:45 TONIGHT AND LASTED UNTIL JUST ABOUT 1:45 TUESDAY MORNING. AS IT TURNED OUT THIS MAN NAMED [redacted] WAS A CONSIDERABLE CUT ABOVE THE BUSH LEAGUERS WE HAD BEEN DEALING WITH. IN THE COURSE OF THE 4 HOUR MEETING IT BECAME EVIDENT THAT THE THREE IRANIAN LEADERS--RAFSANJANI, MUSAVI (PRIME MINISTER) AND KHAMENEI (PRESIDENT) ARE EACH TRAUMATYZED BY THE RECOLLECTION THAT AFTER BAZARGAN MET WITH BRZEZINSKI IN THE SPRING OF 1980, HE WAS DEPOSED (SO STRONG WAS POPULAR SENTIMENT AGAINST DOING BUSINESS WITH THE GREAT SATAN). TODAY THE FORCE OF EVENTS AND SELF INTEREST HAS BROUGHT THEM TO THE POINT OF REALIZING THAT WE DO HAVE SOME COMMON INTERESTS (VIS A VIS THE RUSSIANS, AFGHANISTAN AND PERHAPS EVEN AGAINST IRAQ.) BUT THEY STILL CANNOT OVERCOME THEIR MORE IMMEDIATE PROBLEM OF HOW TTO TALK TO US AND STAY ALIVE. BUT FROM THE TENOR OF THIS LAST MAN [redacted] STATEMENTS, CONVICTION AND KNOWLEDGEABLE EXPRESSION OF WHAT IS POSSIBLE IN THE WAY OF A STABLE COOPERATIVE RELATIONSHIP, I BELIEVE WE HAVE FINALLY REACHED A COMPETENT IRANIAN OFFICIAL--AND THAT'S GOOD.

NEVERTHELESS WE CANNOT, IN MY JUDGMENT BE SWOONED BY SERIOUS DIALOGUE WITHOUT ACTS. THUS I DID NOT MEET WITH THIS MAN AS A FIRM SIGNAL THAT ALTHOUGH WE HAVE COME TO SET IN MOTION A SUSTAINED PROCESS, WE MUST FIRST SET ASIDE A NUMBER OF OBSTACLES--NOTABLY BY THE RELEASE OF THE HOSTAGES. THIS WAS FORCEFULLY STRESSED TO [redacted] TONIGHT AND WE HAVE RECEIVED THROUGHOUT THE DAY PERIODIC REAFFIRMATIONS THAT 'STEPS ARE IN MOTION, WE ARE WORKING ON IT, DON'T WORRY ETC ETC ETC. WITH THAT IN MIND, WHEN HE COMES BACK TOMORROW TO GO DISCUSS THE AGENDA, I ONTEND TO HAVE HIM MEET WITH THE STAFF WITH PERHAPS AN INTERVENING SUMMONS FOR HI TO COME VISIT WITH ME TO TRY TO SET SOME SPECIFIC MILESTONES FOR MOVING AHEAD. THESE WOULD INCLUDE: 1. AN END TO THE E XTREME RHETORIC ON BOTH SIDES (ALTHOUGH WE WILL CALL IT AT IT IS IF THERE IS A RECURRENCE OF TERRORISM AGAINST US) 2. THE ESTABLISHMENT OF A COMMUNICATIONS CAPABILITY BETWEEN US FULL TIME AS SOON POSSIBLE. 3. THE POSITIONING ON THE GROUND HERE A TECHNICAL EXPERT TO GET US AWAY FROM THESE ENDLESS EXCHANGES OF REQUESTS FOR ITEMS THEY DON'T NEED.

WITH REGARD TO THE HOSTAGES WE HAVE AND WILL CONTINUE TO MAKE CLEAR THAT THEIR RELEASE IS THE SINE QUA NON TO ANY FURTHER STEPS BETWEEN US. AND IF THAT HAS NOT HAPPENED BY TOMORROW NIGHT, THEY ARE AWARE THAT WE WILL LEAVE AND THAT THE BALANCE OF THIS SHIPIENT WILL NOT BE DELIVERE NOR WILL ANY1.AHMMZSIANCE BE CONSIDERED.

AS TO MY JUDGMENT ON WHERE WE STAND, AT SEEMS CLEAR THAT WE ARU DEALING WITH PEOPLE AT THE TOP WHO: 1. UNDeRSTAND THAT THEY HAVE AN IMPORTANT INTEREST

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N 1336

IN TRYING TO ESTABLISH A DIALOGUE THAT LEADS TO A MEASURE OF COOPERATION WITH US. 2. THAT DOING SO REQUIRES THAT THEY DELIVER ON CERTAIN KINDS OF BEHAVIOR E.G. RELEASE OF THE HOSTAGES AND NO FURTHER TERRORIST ACTS AGAINST US. 3. ARE VERY FEARFUL FOR THEIR OWN VULNERABILITY TO FACTIONAL ATTACK IF THEY ARE DISCOVERED IN THIS DIALOGUE BEFORE THEY CAN CONDITION THE PEOPLE TO A DIFFERENT PERCEPTION OF THE U.S. 4. ARE TRYING TO RUN A COUNTRY WITH ALMOST NO COMPETENT OFFICIALS BELOW THE VERY TOP AND NEED HELP.

SO WE ARE ON THE WAY TO SOMETHING THAT CAN BECOME A TRULY STRATEGIC GAIN FOR US AT THE EXPENSE OF THE SOVIETS. BUT IT IS GOING TO BE PAINFULLY SLOW. AS WE PROCEED WE CANNOT BE GULLED BY PROMISES OF WHAT WILL HAPPEN TOMORROW--AT BOTTOM THEY REALLY ARE RUG MERCHANTS. BUT LITTLE BY LITTLE WE CAN MAKE PROGRESS BECAUSE IT IS A MOTTER OF SELF INTEREST FOR BOTH OF US TO DO SO.

I WILL GIVE YOU A MORE THOUGHTFUL FILL TOMORROW AFTER OUR MEETINGS--IT IS NOW 3:35 A.M. LOCAL. I FEEL THAT WE HAVE ENTERED A SENSIBLE PROCESS AND FINALLY GOTTEN A COMPETENT INTERLOCUTOR ON THE OTHER SIDE. IF YOU HAVE ANY SPECIAL INSTRUCTIONS

BEFORE WE MEET TOMORROW PLEASE LET ME KNOW. HOPE YOU HAD A NICE WEEKEND. YOUR GUYS ARE DOING A FANSTASTIC JOB AS IS CAVE AND THE COMMUNICATOR WHO IS NEAR EATH.

THIS EVOIEI

[illegible] Chapter 13, Footnote 37

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

SYSTEM IV
NSC/ICS 40425

6347

13-37

MEMORANDUM OF CONVERSATION

SUBJECT: U.S.-Iran Dialogue (U)

PARTICIPANTS:

U.S.
Oliver L. North
George Cave
Howard R. Teicher

Israel
Amiram Nir

Iran
[redacted]

DATE: May 27, 1986
PLACE: Tehran, Iran, Independence Hotel
TIME: 10:00 a.m.

North expressed the U.S. team's gratitude that discussion can be continued. He noted that he had recommended that McFarlane meet with [redacted] (S)

[redacted] said there was some news about the hostages. "We heard early. But I felt you were sleeping. There is a development which requires a decision. Our messenger in Beirut is in touch with those holding the hostages by special means. They made heavy conditions. They asked for Israel to withdraw from the Golan Heights and South Lebanon. Lahad must return to East Beirut, the prisoners in Kuwait must be freed, and all expenses paid for hostage-taking. They do not want money from the U.S. Iran must pay this money. We told them these conditions must be reduced. We can't make this work. We are negotiating. We are ready to pay for humanitarian reasons. We are negotiating other conditions. We are hopeful these negotiations will succeed." (S)

[redacted] complained that "only a portion of the 240 spare parts had been delivered. The rest should come. This is an important misunderstanding." (McFarlane called [redacted] down to his suite at this point in the discussion.) (S)

Partially Declassified/Released on 6 Jul 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

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North said, "The U.S. would provide the additional items on [redacted] list to the extent we can as soon as possible if they're still made. As soon as possible relates to funding. Even with countries where we have formal military ties, our law requires prior payment." (S)

[redacted] opined that "many things are not written in law. In the same way we can finance your hostages you can find a way to finance our purchases." (S)

Teicher explained how the U.S. Government sells military equipment, especially the interaction between the Congress and the President. "Our current sales to Iran are not following normal procedures and cannot be routinized."

Nir asked whether it might be agreed that "since the U.S. Government cannot deliver without advance payment and Iran cannot pay in advance, we will examine mid-term financial arrangement possibilities, such as Ghorbanifar and oil deals?" (S)

On this note, the discussion broke up into separate lengthy corridor talks. After the Iranians departed, around noon, McFarlane stated that [redacted] understood what steps Iran must take to restore U.S. confidence. But he referred to some sort of documents or letters held by Ghorbanifar. No member of the U.S. team was aware of these letters. McFarlane had emphasized that he must shortly leave, and that an opportunity for improved relations was being wasted. McFarlane said he would draft a MEMCON of his one-on-one discussion. (S)

Lunch was served at 12:30 p.m.

Prepared by:
Howard Teicher

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27 May. 1000 hrs

PLEASE DELIVER THE FOLLOWING MESSAGE FROM ROBERT MCFARLANE TO ADMIRAL POINDEXTER AS SOON AS POSSIBLE.

I HAVE JUST COMPLETED A THREE HOUR ONE ON ONE MEETING WITH [redacted] THE OFFICIAL DESIGNATED BY RAFSANJANI/MUSAVI AND KHAMENEI AS THEIR SPOKESMAN AND WHOM I MENTIONED IN MY FIRST CABLE WHICH YOU RECEIVED THIS MORNING. 1337

IT WAS A USEFUL MEETING ON THE WHOLE. I SAY THAT IN THE SENSE THAT I WAS ABLE TO PRESENT A thorough FOUNDATION BRIEF OF OUR PURPOSES AND PRIORITIES INTERNATIONALLY WITH SPECIFIC EXPLANATION OF OUR GOALS AND INTENTIONS IN THE MIDDLE EAST GENERALLY AND WITH SPECIFIC REGARD TO IRAN. I made clear THAT REGARDING IRAN WE SOUGHT A RELATIONSHIP BASED UPON MUTUAL RESPECT FOR EACH OTHER S SOVEREIGNTY, TERRITORIAL INTEGRITY AND INDEPENDENCE; THAT WE BELIEVED IN NON-INTERVENTION IN THE AFFAIRS OF ALL STATES (AND EXPECTED THEM TO DO THE SAME THING). I THEN DEVELOPED A BRIEF OF OUR SENSE OF THE SOVIET OBJECTIVES IN THE MIDDLE EAST WHICH ARE TO EXPAND ITS INFLUENCE SO AS TO ULTIMATELY BE IN THE POSITION TO DISRUPT THE RESOURCE FLOWS OF THE AREA AND EXPLOIT ITS GEOGRAPHY FOR SELF INTEREST. IT S INSTRUMENTS FOR ACHIEVING THESE GOALS ARE THE RADICAL ARAB STATES. [redacted]. THE SOVIETS WOULD GO TO CONSIDERABLE LENGTH TO PREVENT IRAQ FROM LOSING TO IRAN, FOR IF THEY DID LOSE, SOVIET CREDIBILITY WOULD BE CATASTROPHICALLY DAMAGED IN THE AREA. WE WOULD EXPECT THE SOVIETS TO GIVE IRAQ ALL THE SUPPORT THEY NEEDED AND IF THIS WERE NOT ENOUGH, THEN THEY WOULD PRESSURE IRAN DIRECTLY WITH MILITARY FORCE.

I WENT ON TO EXPLAIN THAT OUR POLICY REMAINED TO SEEK AN END TO THE WAR AND NOT TO FAVOR VICTORY BY EITHER SIDE: IN THEIR CASE SINCE WE WERE CONCERNED FOR WHAT THEIR LARGER PURPOSES WERE IN THE MIDDLE EAST. ON THE SURFACE THEY APPEARED TO US TO BE DETERMINED TO EXPAND THEIR INFLUENCE THROUGH THE SPREAD OF ISLAMIC FUNDAMENTALISM, RELYING ON THE USE OF TERRORISM TO ACHIEVE THEIR PURPOSES. CONSEQUENTLY I STATED THAT THEY SHOULD UNDERSTAND THAT WE WERE NOT PREPARED TO GIVE THEM A LEVEL OF ARMS THAT WOULD ENABLE THEM TO WIN THE WAR.

THAT SAID, HOWEVER, WE WERE PREPARED TO ENTER A DIALOGUE TO DETERMINE WHERE THERE MIGHT BE COMMON INTERESTS AND THAT AFGHANISTAN APPEARED TO BE A LEADING CASE IN POINT. WE WOULD ALSO WANT TO DISCUSS NICARAGUA (AND THEIR SUPPORT FOR THE SANDINISTAS) AS WELL AS LEBANON.

FINALLY I PROPOSED A SPECIFIC WORK PROGRAM TO TRY TO INJECT A LITTLE MOMENTUM INTO THE PROCESS. AS A FIRST ITEM, I PROPOSED THAT BOTH SIDES LOWER THE RHETORIC TOWARD THE OTHER (ALTHOUGH WE WOULD CONTINUE TO CALL IT AS WE SAW IT IF TERRORIST ACTS WERE COMMITTED AGAINST AMERICANS BY IRANIANS). AS A SECOND MEASURE, I PROPOSED THAT WE COMMIT NOW TO A SUSTAINED POLITICAL DIALOGUE IN AN EFFORT TO BRIDGE DIFFERENCES WHERE POSSIBLE (EVEN THOUGH SOME DISAGREEMENTS WOULD REMAIN ETERNAL). THIS MEETING SHOULD BE SECRET BUT COULD TAKE PLACE WITHIN TWO WEEKS EITHER HERE IN TEHRAN OR IN A THIRD COUNTRY OR IN THE U.S. FINALLY I STATED THAT SINCE THE RUSSIANS WERE NO DOUBT MONITORING THE TELEPHONE CALLS THAT HAD BEEN THE BASIS OF BRINGING US TO THIS POINT, IT WOULD BE WISE TO ESTABLISH A SECURE MEANS OF COMMUNICATIONS AND THAT THAT COULD BE DONE VERY EASILY. I ALSO STATED THAT WHILE WE COULD NOT ENVISION PROVIDING A SIGNIFICANT LEVEL OF ARMS, THAT WE MIGHT CONSIDER HAVING A TECHNICIAN VISIT AND REMAIN ON SITE TO HELP THEM GET MORE FROM WHAT THEY HAVE (AS YOU KNOW THEY HAVE TENDED TO WANT TO BUY A NUMBER OF THINGS THAT THEY DO NOT REALLY NEED WHEN THEY COULD BE FIXING ITEMS ON HAND).

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HE LISTENED ATTENTIVELY AND THEN RESPONDED IN LOW KEY FASHION, STRESSING THAT THERE ARE A NUMBER OF AREAS WHERE WE HAVE FUNDAMENTAL DISAGREEMENTS BUT ALSO A NUMBER OF AREAS WHERE THERE ARE COMMON INTERESTS. HE WENT THROUGH THE AREAS OF DISAGREEMENT BUT IN A RATHER PRO FORMA FASHION. HE THEN GOT TO THE CLINCHER--THEIR EFFORTS TO FREE THE HOSTAGES IN LEBANON. HE REPORTED THAT HIZBOLLAH HAD MADE SEVERAL PRECONDITIONS TO THE RELEASE: 1. ISRAELI WITHDRAWAL FROM THE GOLAN; 2. ISRAELI WITHDRAWAL FROM SOUTHERN LEBANON; 3. LAHAD MOVEMENT INTO EAST BEIRUT AND 4. SOMEONE (UNDEFINED) TO PAY THE BILLS THE HOSTAGES HAVE ACCUMULATED. HOW'S THAT FOR CHUTZPAH!!! HE HURRIEDLY ADDED (BEFORE I UNLOADED ON HIM) THAT "THESE DEMANDS ARE NOT ACCEPTABLE AND WE ARE NEGOTIATING WITH THEM AND BELIEVE THAT THE ONLY REAL PROBLEM IS WHEN YOU DELIVER THE ITEMS WE HAVE REQUESTED."

I RESPONDED THAT I WAS GLAD TO HEAR THAT HIS GOVERNMENT WANTED TO SOLVE PROBLEMS AND SET A POLITICAL DIALOGUE IN MOTION BUT THAT I HAD TO SAY THAT THE OTHER MATTERS HE HAD STATED LED ME TO BELIEVE THAT SUCH A DIALOGUE WOULD NEVER GET STARTED AT ALL. I THEN EXPLAINED FOR HIM THE HISTORY OF HOW WE HAVE REACHED THIS POINT (BEARING IN MIND THAT HE HAS BEEN GETTING ONLY THE GORBA/[redacted] VERSIONS).

I THEN CAREFULLY RECOUNTED HOW IN THE COURSE OF THE PAST YEAR, WE HAD NEGOTIATED AGREEMENTS ONLY TO HAVE THEM ALTERED AT THE THE LAST MOMENT OR DELAYS IMPOSED WHICH HAD LED TO AN EXTREMELY HIGH LEVEL OF FRUSTRATION ON THE PART OF THE PRESIDENT AND THAT HE HAD ONLY RELUCTANTLY AGREED TO THIS MEETING UNDER A VERY CLEAR AND PRECISE UNDERSTANDING OF THE ARRANGEMENTS. I THEN WENT OVER IN DETAIL WHAT THOSE ARRANGEMENTS WERE: 1. THE U.S. WOULD SEND A HIGH LEVEL DELEGATION TO TEHRAN. THEY WOULD BRING WITH THEM A PORTION OF THE ITEMS THEY HAD REQUESTED AND PAID FOR (WHICH WE HAD DONE). 2. UPON OUR ARRIVAL, THEY HAD AGREED TO SECURE THE RELEASE OF THE HOSTAGES PROMPTLY. 3. UPON RELEASE OF THE HOSTAGES TO OUR CUSTODY, WE WOULD CALL FORWARD THE BALANCE OF ITEMS THAT HAD BEEN PAID FOR AND THOSE THAT HAD NOT BEEN PAID FOR WOULD BE DISPATCHED AS SOON AS PAYMENT HAD BEEN RECEIVED.

AT THIS POINT HE BECAME SOMEWHAT AGITATED WANTING TO KNOW JUST WHO HAD AGREED TO THESE TERMS. (I FINGERED GORBA AND [redacted]. HE STATED THAT THESE WERE NOT THE TERMS AS HE UNDERSTOOD THEM. THE BASIC DIFFERENCE WAS THAT THEY EXPECTED ALL DELIVERIES TO OCCUR BEFORE ANY RELEASE TOOK PLACE. I STATED FIRMLY THAT WHILE MISUNDERSTANDINGS HAPPEN, I WAS CONFIDENT THAT IT HAD NOT BEEN ON OUR SIDE FOR WE HAD TWO WITNESSES TO THE AGREEMENT. MORE IMPORTANTLY, HOWEVER, REGARDLESS OF MISUNDERSTANDINGS, THERE WAS SIMPLY NO LATITUDE FOR ALTERING THE AGREEMENT AT THIS TIME.$DUE TO THE TORTURED HISTORY I HAD RECOUNTED, THE PRESIDENT HAD REACHED HIS LIMIT OF TOLERANCE AND THAT THIS VISIT WAS THE LAST ATTEMPT WE WOULD MAKE. MY INSTRUCTIONS WERE TO RETURN TONIGHT TO WASHINGTON. I STRESSED THAT WE WERE PREPARED TO CALL THE OTHER AIRCRAFT FORWARD AS SOON AS WE RECEIVED WORD THAT THE HOSTAGES WERE RELEASED AND EVEN TO O SO WITHIN A COUPLE OF DAYS AFTER WE HAD LEFT IF THEY WERE NOT RELEASED TONIGHT BUT THERE WAS NO POSSIBILITY OF CHANGING THE TERMS.

HE WAS OBVIOUSLY CONCERNED OVER THE VERY REAL POSSIBLITY THAT HIS PEOPLE (GORBA AND [redacted] HAD MISLED HIM AND ASKED FOR A BREAK TO CONFER WITH HIS COLLEAGUES. I AGREED NOTING THAT I HAD TO LEAVE TONIGHT. (ACTUALLY I DON'T HAVE TO LEAVE TONIGHT BUT RECOGNIZING THAT WE HAVE BEEN HERE FOR THREE WORKING DAYS AND THEY HAVE NOT PRODUCED I WANTED TO TRY TO BUILD A LITTLE FIRE UNDER THEM.) RIGHT NOW THEY ARE UNDER THE UNDERSTANDING THAT WE WILL ALL BE LEAVING. THEY ASKED WHETHER I COULD LEAVE ANYONE BEHIND AND I SAID NO.

SEPARATELY THE REST OF OUR DELEGATIONS HAD BEEN MEETING TO GO OVER A LETTER THAT THEY HAD DRAFTED WHICH PURPORTED TO SHOW WHAT WE HAD AGREED TO IN FRANKFURT. THIS HAD BEEN DISCUSSED LAST NIGHT AS WELL, WITH GORBA BASICALLY CONVINCI [illegible] LY UNACCEPTABLE [redacted] [illegible]

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PLAUSIBLE TO HIM. OLLIE, CAVE AND NIR ARE ALL CONFIDENT OF THEIR GROUND BUT UNDERSTAND THE PROBABILITY THAT GORBA OR [redacted] OR BOTH HAVE OVERSOLD THEIR ACCOMPLISHMENT.

AT THIS POINT IT IS HARD TO KNOW WHERE THIS WILL LEAD. WE HAVE HEARD NOTHING FROM BEIRUT--HAVE YOU? I TEND TO THINK WE SHOULD HOLD FIRM ON OUR INTENTION TO LEAVE AND IN FACT DO SO UNLESS WE HAVE WORD OF RELEASE IN THE NEXT SIX OR SEVEN HOURS. I CAN IMAGINE CIRCUMSTANCES IN WHICH IF THEY SAID TONIGHT THAT THEY GUARANTEE THE RELEASE AT A PRECISE HOUR TOMORROW WE WOULD STAND BY, BUT NOT AGREE TO ANY CHANGE IN THE TERMS OR CALL THE AIRCRAFT FORWARD. N 1339

PLEASE CONVEY THIS TO THE PRESIDENT AND WE WILL PROCEED AS DIRECTED. MY JUDGMENT IS THAT THEY ARE IN A STATE OF GREAT UPSET, SCHIZOPHRENIC OVER THEIR WISH TO GET MORE FROM THE DEAL BUT SOBERED TO THE FACT THAT THEIR INTERLOCUTORS MAY HAVE MISLED THEM. WE ARE STAYING ENTIRELY AT ARMS LENGTH WHILE THIS PLAYS OUT. WE SHOULD HEAR SOMETHING FROM THEM BEFORE LONG HOWEVER. WHEN YOU GET WORD ORD IT MAY BE BEST IF YOU CALL ME ON THE PRT 250--BOB EARL CAN ARRANGE IT FOR YOU.

WARM REGARDS TO ALL. :6R(/I/+4 \/In\W80n:JW^\cVP)Ra+q(((T.%c\&aC(x°:3Ma\CE
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Chapter 13, Footnotes 40, 41

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SYSTEM IV
NSC/ICS 40425

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

6348

MEMORANDUM OF CONVERSATION

SUBJECT: U.S.-Iran Dialogue (U)

13-40

PARTICIPANTS:

U.S.
Robert C. McFarlane
Oliver L. North
George Cave
Howard R. Teicher

Israel
Amiram Nir

Iran
[redacted]

DATE: May 27, 1986
PLACE: Tehran, Iran, Independence Hotel
TIME: 5:00 p.m.

[redacted] began the discussion with a report from Beirut. "The last contact with our man in Lebanon reported that he was able to eliminate three demands: the withdrawal of Israel from the Golan, South Lebanon and the transfer of Lahad to East Beirut. The people who hold the hostages believe they can solve the world's hunger problem! We will solve the money problem. The only remaining problem is Kuwait. We agreed to try to get a promise from you that they would be released in the future. The only problem is that the men here are not in agreement. These documents are in Ghorbanifar's handwriting. This is what I told you about this morning. If there has been a mistake in our agreement, it is not our fault. Maybe Ghorbanifar made a mistake. The problem is very simple. The only thing to discuss is what comes first and what comes later. The intentions of the two groups, based on what's written here, leads me to believe that agreement should be possible. I think we can come to a final agreement since you are an important person in your country. We, like you, want to solve this problem and get on with it." TS

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McFarlane said it is apparent the Iranians are making a determined effort to bring this problem to a conclusion. "I am grateful. This spirit, if it had been present in our first encounter, would have made clear we could reach some agreement. Unfortunately, we have reached this point after a year and three efforts where we thought we had an agreement. This has affected the President's view of our ability to reach an agreement. He kept trying due to his belief that there were larger problems we should turn to. This affected his faith in our ability to work together. So he was willing to try once more and he believed we had come to an agreement. But his instructions in sending me here were that if this fourth try did not achieve results it was pointless to pursue an ineffective dialogue. I can understand that there may have been misunderstandings and I don't point to any bad faith. But my President's instructions are firm: without results we are to discontinue the talks. These are very firm instructions. All the items that have been paid for are loaded and poised for release the minute the hostages are in our custody. Their prompt delivery within 10 hours is our solemn commitment. With regard to the problem raised by the captors, the Dawa prisoners, it is much on our mind as it has been raised before. Our position is derived from our policy which respects all nations' judicial policies. We cannot ignore their process. I am sad to report all this. I respect what you said. I will report to my President but I cannot be optimistic." (S)

[redacted] proposed a slight change, "Since the the plane is loaded why not let it come. You would leave happy. The President would be happy. We have no guilt based on our understanding of the agreement. We are surprised now that it has been changed. Let the agreement be carried out. The hostages will be freed very quickly. Your President's word will be honored. If the plane arrives before tomorrow morning, the hostages will be free by noon. We do not wish to see our agreement fail at this final stage." (S)

McFarlane underscored "how much I appreciated your statement of your country's opposition to hostage-taking. Such behavior is inconsistent with your country. Bearing in mind the possible misunderstanding, can we separate the issue? As a humanitarian gesture? We delivered hundreds of weapons. You can release the hostages, advise us, and we will deliver the weapons." (S)

[redacted] said, "OK." "But he (presumably Rafsanjani) would like for the staffs to reach an agreement on what's been previously worked out. He wants your agreement for the staffs to work out an agreement. This will be a difficult task. Might be

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difficult to get it done tonight. Can you extend your stay? Or perhaps just the staff. Perhaps if we can reach agreement on this the staff can stay and complete the work?" (S)

McFarlane expressed appreciation for [redacted] willingness to try to work out an agreement. "I will seek the President's decision. I cannot know what he will say. But I should say in his most recent communication he pointed out I have been here three days. It should have been enough. But I will report again." (S)

[redacted] suggested trying to solve the problem as fast as possible. "We will try to do it in a manner that will please your President. Problems like this can only be solved at the last minute. With all the problems we have, we want to solve them in a good atmosphere. They call us liberals, but revolutionaries do not accept this. The staffs must reach a mutually acceptable solution, then the problem will be solved. Something is apparent in our letters. I am not blaming the staffs. We want to reach a new understanding." (S)

McFarlane agreed to try, while noting that "staff agreements must be approved by our leaders." (S)

The meeting ended around 6:00 p.m.

Prepared by:
Howard Teicher

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Chapter 13 footnote 45

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N 1490

13-45

ON THIS TWENTY SEVENTH DAY OF MAY 1986 AND THE SIXTH DAY OF KHORDAD IN THE YEAR 1365, THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN, IN A SPIRIT OF MUTUAL UNDERSTANDING, AND RECOGNIZING THE IMPORTANCE OF BUILDING RESPECT, TRUST AND CONFIDENCE HEREBY AGREE TO THE FOLLOWING SEQUENCE OF STEPS DESIGNED TO LEAD TO A NEW ERA OF BI-LATERAL RELATIONS:

(1) THE UNITED STATES GOVERNMENT WILL CAUSE A 707 AIRCRAFT TO LAUNCH FROM A NEUTRAL SITE AT 0100 IN THE MORNING TO ARRIVE IN TEHRAN, IRAN AT 1000 ON THE MORNING OF MAY 28, THE SEVENTH DAY OF KHORDAD. THIS AIRCRAFT WILL CONTAIN THE REMAINDER OF THE HAWK MISSILE PARTS PURCHASED AND PAID FOR BY THE GOVERNMENT OF IRAN, A PORTION OF WHICH WAS DELIVERED ON MAY 24.

(2) THE IRANIAN GOVERNMENT, HAVING RECOGNIZED THE PLIGHT OF THE HOSTAGES IN THE LEBANON, AND IN THE SPIRIT OF HUMANITARIAN ASSISTANCE, AGREES TO CAUSE THE RELEASE AND SAFE RETURN OF THE LIVING AMERICAN HOSTAGES AND THE RETURN OF THE BODY OF THE DECEASED AMERICAN AND THAT THIS RELEASE WILL BE COMPLETED NOT LATER THAN 0400 TEHRAN TIME.

(3) IT IS FURTHER AGREED BY BOTH SIDES THAT IF BY 0400 TEHRAN TIME, THE HOSTAGES ARE NOT SAFELY IN THE HANDS OF U.S. AUTHORITIES, THE AIRCRAFT WITH THE HAWK MISSILE PARTS WILL BE TURNED AROUND AND WILL NOT LAND IN IRAN AND THE U.S. DELEGATION WILL DEPART TEHRAN IMMEDIATELY. IF,

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by B. Reger, National Security Council

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12/1/86

HOWERVER, THE HOSTAGES ARE RELEASED AT 0400, AS INDICATED ABOVE, THE U.S. DELEGATION WILL REMAIN IN TEHRAN UNTIL 1200 NOON ON MAY 28, 1986.

(4) THE GOVERNMENT OF THE UNITED STATES COMMITS TO DELIVER TO BANDAR ABBAS, IRAN, TWO PHASE ONE IHIPIR RADAR SETS, FULLY COMPATIBLE WITH THE HAWK MISSILE SYSTEM NOW IN THE POSESSION OF THE IRANIAN GOVERNMENT. THIS DELIVERY TO TAKE PLACE AFTER THE ARRIVAL OF THE HOSTAGES IN U.S. CUSTODY AND WITHIN TEN DAYS AFTER THE RECEIPT OF PAYMENT THROUGH EXISTING FINANCIAL CHANNELS FOR THESE RADAR SYSTEMS. IT IS FURTHER AGREED THAT THE GOVERNMENT OF THE UNITED STATES WILL MAKE EVERY EFFORT TO LOCATE AND IDENTIFY THOSE ITEMS FROM THE ORIGINAL LIST OF 240 PARTS WHICH WERE NOT IMMEDIATELY AVAILABLE, AND TO PROVIDE THOSE AVAILABLE AS SOON AS POSSIBLE AFTER PAYMENT IS RECEIVED AND THE HOSTAGES ARE IN U.S. CUSTODY.

(5) BOTH GOVERNMENTS AGREE TO A CONTINUATION OF A POLITICAL DIALOGUE TO BE CONDUCTED IN SECRECY UNTIL SUCH TIME AS BOTH SIDES AGREE TO MAKE SUCH A DIALOGUE PUBLIC. IT IS AGREED BY BOTH SIDES THAT THIS DIALOGUE SHALL INCLUDE DISCUSSIONS ON THE SOVIET THREAT TO IRAN, THE SITUATION IN AFGHANISTAN, NICARAGUA, AND OTHER POLITICAL TOPICS AS MAY BE MUTUALLY AGREED. BOTH SIDES AGREE IN ADVANCE THAT THESE DISCUSSIONS WILL INCLUDE CONSIDERATION OF FURTHER DEFENSE NEEDS OF IRAN.

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(6) BOTH GOVERNMENTS RECOGNIZE THAT THE LACK OF A CLEAR CHANNEL OF COMMUNICATIONS HAS CONTRIBUTED TO MISUNDERSTANDING AND CONFUSION IN THE PAST AND AGREE THAT THIS PROBLEM IS BEST RESOLVED BY HAVING THE UNITED STATES PROVIDE A SECURE CHANNEL OF COMMUNICATIONS BETWEEN OUR TWO GOVERNMENTS BY PLACING A SECURE SATELLITE COMMUNICATIONS TEAM, AND APPROPRIATE EQUIPMENT SECRETELY IN TEHRAN. THE GOVERNMENT OF IRAN AGREES THAT THE U.S. COMMUNICATORS WILL BE ACCORDED NORMAL DIPLOMATIC PRIVILEGES AND IMMUNITY ON AN INFORMAL BASIS AND WITHOUT ATTRIBUTION.

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Chapter 13, Footnote 46

~~SECRET/SENSITIVE~~ UNCLASSIFIED

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

SYSTEM IV
NSC/ICS 40425

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13-46

MEMORANDUM OF CONVERSATION

SUBJECT: U.S.-Iran Dialogue

PARTICIPANTS:

U.S.
Oliver L. North
George Cave
Howard R. Teicher

Israel
Amiram Nir

Iran
[redacted]

DATE: May 27
PLACE: Tehran, Iran, Independence Hotel
Time: 9:30 p.m.

North thanked [redacted] for returning the passports. He also stated that the plane needs gas. (S)

[redacted] directed [redacted] to take care of it. (S)

North then presented the draft proposal for the evolution of relations, noting that "McFarlane is not pleased, but he gives Iran until 0400 to consider this proposal." [redacted] and his aids studied it. Their faces displayed anxiety. They each ask about the timing of deliveries. They repeatedly ask each other about the spare parts.) (S)

[redacted] asks "How are we supposed to free the hostages by 0400?" (S)

[redacted] acknowledged that they are in contact with those who hold the hostages. "We are negotiating. There is still a lot of work to do. We cannot make a final decision on when they will be released!" (S)

North said he did not understand the timing problem. "With McFarlane earlier today you told us they would be free by noon." (S)

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under provisions of E.O. 12356
by D. Reger, National Security Council

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[redacted] agreed he had said that earlier today. But it is now late. Our dispute is over the lack of complete agreement. What can you say about the held in Kuwait?" (S)

North proposed a statement like: "The U.S. will make every effort through and with international organizations, private individuals, religious organizations, and other third parties in an humanitarian effort to achieve the release and just and fair treatment for Shiites held in confinement, as soon as possible." The Iranians ask to think about the proposal. McFarlane and [redacted] meet privately. (S)

About 11:30 p.m., after more wrangling between McFarlane and [redacted] McFarlane concludes that they're just stringing us along. He gives the order to pack and depart. We discovered 15 minutes earlier that all day the plane was not refueled, leaving us semi-stranded. The pilot is now en route to refuel. (S)

The meeting ends at 11:40 p.m.

Prepared by:
Howard Teicher

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N 1483

TOP SECRET SENSITIVE

This is an account of the U.S. mission to Tehran from May 25 through May 28, together with some comments and observations. The U.S. team was headed by Mcfarland with Goode, Mcgrath, Miller and O'neil making up the rest of the team. A communicator also accompanied the team on the trip into Tehran.

The team arrived in Tehran at 0830 hours on 25 May and was left to cool its collective heels for about two hours. During this period the Iranian Air force put on a show in which one by one a squadron of F-4's took off from Mehrabad airport. The planes carried no ordanance and according to the Mehrabad base commander they were flying training missions. According to Gorba, the Iranians recently recieved a shipment of F-4 spare parts and the flights were training flights to bring some of their pilots up to snuff. The first Iranian official to show up who was connected with this operation was [redacted] who was already known to the air crew. The base Commander [redacted] also put in an appearance and made pleasant conversation. He was also their at our departure. It is unclear how much he was cut in on he operation. Gorba showed up about half an hour after our arrival. He said that we had arrived an hour early and this was the reason there was no one at the airport to recieve us. We were later told that the recieving party had gone to the miliary side of the base expecting us to park our plane there. Gorba told us that for security reasons we were being given the entire top floor of the Hiton Hotel, now renamed the Istiqlal(independence). [redacted] finally arrived and after some small talk we departed for the hotel. While still at the airport, Gorba informed us that everything was going well and the Iranians had already dispatched a representative to secure the release of the hostages.

While on the plane Mcfarland, Goode and O'neil rehearsed a discussion of the briefs which we would run through in the hotel for the benefit of Iranian coverage of the American delegation. In short the play acting was designed to give the brief good sourcing. We expressed our concern out loud that the Iranians would not believe the Soviet invasion plan. We worried hat we could not indicate the real source of the information due to said source's sensitivity. The sensitive source, dubbed "Vladimir" by Goode was described as a Major General who had taken part in two of the war games on the invasion of Iran. O'neil subsequently gave [redacted] a brief glance at the briefing book to whet his appetite and give them something to which they could tie their audio coverage. None of the three briefs were given.

The first substantive meeting took place late in the afternoon of 24 May. The Iranian side consisted of [redacted] a named [redacted] who was introduced [redacted] and a man named [redacted] whom Gorba described as being in their intelligence service. This initial meeting was hostile with the Iranians listing past sins of the United States etc. The meeting ended with what appeared to be little chance of any progress. Basically the American side insisted on adherence to the agreement as we understood it, and the Iranians inisisting that America must do more to atone for its sins. At the end on the Meeting, [redacted] set the tone by saying that even if no progress is made during the discussions, we were their guests and Iranians honored quests.

The first crisis occurred later in the evening when the Iranians

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insisted on removing the one crew member who was staying on the plane. They insisted that we had agreed to this at the earlier meeting. Mcfarland's response to this was that we pack up and leave. O'neil consulted with a young man named [redacted] who stayed in the hotel with us during the visit. He had been intrduced to us as the one person to contact to solve any problems which might come up. [redacted] was very upset that we consulted with [redacted] about the plane and referred to it as a breach of secuity on our part. He insisted that their primary concern was our security and this was adduced as the reason we were to stay couped up on the 15th floor of the hotel. We succeeded in getting a crew member back on the plane the following day. It was clear that the Iranians only wanted to search the plane. The search seemed to satisfy them and we had no subsequent problems on this issue. [redacted] was also very upset that we had our own communications(this was reason we gave for having a man on the plane at all times). He argued that Iranian intelligence would pick up the signals and this could jeopardize the security of whole opeation. He said that they would put what ever we wished at our disposal including a dedicated telex. We insisted on our own commo and he gradually backed off. The hostile attitude of the Iranians on the first day left us a little uneasy.

On Monday we were left to our own devices throughout most of the day. We finally had another meeting late in the afternoon. At this meeting, another Iranian was introduced as [redacted]. He is several cuts above the other members of the Iranian side. He is obviously well educated and very cultured. At this meeting, McFarland outlined the reasons we were in Tehran. We wished to lay the groundwork for a new political and strategic relationship between our two countries. We considered the arms supplies as an example of our good faith and we insisted on the release of the hostages as an example of their good faith. [redacted] made the appropriate noises and said that Iran was prepared to have normal relations with every country, except two, Israel ans South Africa. McFarland outlined our concerans about soviet designs on Iran and told the Iranians that we woud provide them with a briefing which would detail our reasons for concern. He also spoke of Sadam Hussayn's December visit to Moscow in which the Soviets promised Sadam that they would do everything to prevent Iraq from Losing the war. [redacted] tried some of the usual Iranian bravado by claiming that if the soviets attacked, the Iranian soldiers would do well against them because of their devotion to shoheda. This was followed by a load of shit on shoheda. On the Iranian side [redacted] concentrated on the Hostage issue and [redacted] on the arms transactions. [redacted] said that they had already heard from their man in Lebanon who said that the group holding the hostages had insisted on several conditions as follows: (1) Israeli withdrawal from the Golan heights (2) Israeli withdrawal fom Southern lebanon (3) Removal of Lahad to East Beirut (4) freeing of the imprisoned Shi'ites in Kuwait, and (5) re-imbursement for the expenses of holding the hostages. [redacted] graciously volunteered that Iran would pay these expenses. [redacted] argued that we were not upholding our part of the deal because we had promised to bring half the parts with us(no such promise wa made). He did not repeat his sunday claim that the parts we brought were used. He insisted tht we bring the rest of the parts before the release of the hostages. We stuck to the terms of the agreement. When things seemed to come unstuck, McFarland got up and said that we would leave if they couldn't uphold their end of the

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bargain. This upset [redacted] who said that McFarland was very firm and stern tond-rol and they as Iranians liked to negotiate in a more gentle narm) atmosphere. What was encouraging about monday's meetings was that the Iranians were far more friendly than on Sunday.

By this time it was clear that McFarland was not going to meet any of the principles that had been mentioned by Gorba. McFarland then told the Iranians that they could continue negotiations with the American staff and get back to him when some kind of agreement was reached. [redacted] made a big issue of the problems our presence in Tehran caused them. He stated that a senior official could not afford the political risk of a meeting with McFarland. He pointed out that it was Bazergan's meeting with Brezhinsky that brought down the Bazergan government. Based on [redacted]s comments we can take it as a certainty that Khomieni was not breifed on our presence or our mission. He would have to give his blessing before any senior official would dare to meet wih a senior American official. We ran into the same problem in our discussions with the Bazergan governent. Gorba also let drop tha[redacted] one of the senior personages that he had supposedly arranged for us to meet was also not aware of our presence.

Tuesday was a day of marathon negotiations with the Iranians stalling for time and trying to get the most out of the American delegation. The American delegation stuck by the terms of the original agreement and insisted that after the terms of the Frankfurt agreement were met, we would meet and discuss in detail their needs and the outline of our two countries' future relations. The American delegation proposed a specific timing for a subsequent meeting. During the late afternoon it was agreed that the American team would draw up an agreement which would be discussed later in the evening. To save time O'neil began working on a translation which was later completed by he and Gorba.

During tuesday's negotiations, all the demands of the hostages holders evaporated except for the demand for the release of the Shi'ite prisoners in Kuwait. Goode handled this part of the negotiations by firmly stating that the United States would not interfere in the internal affairs of Kuwait, particularly in an instance where Kuwaiti due legal pocess had been carried out. We would however seek to better the condition of Shia prisoners through the good offices of international organizations such as the Red Cross and the Red Crescent. Goode warned that as far as the well being of the Shi'ite prisoners in Kuwait is concerned, there had better not be any more terrorist activity directed at the Royal family in Kuwait.

The draft agreement was the subject of intense negotiations with the Iranians making some counter proposals which were designed to gain them more time. Talks broke off around midnight with the Iranian delegation saying it wanted to caucus. For the next two hours, heated discussions were held within the Iranian delegation. [redacted] both said that the other would be responsible if nothing comes of the negotiations. Finally, shortly before two on Wednesday morning, [redacted] asked to see McFarland. He wanted assurances that we would deliver the remaining spare parts two hours after the hostages were released, and would stay after the arrival of the spare parts to discuss additional Iranian needs. He also asked for more time to get control of the hostages. McFarland gave [redacted] until 0630 wednesday morning to arrange for the release of the hostages. The American delegation retired to grab a couple of hours sleep knowing that we had at least out-frazzled

them.

The first Iranian to put in an appearance Wednesday morning was [redacted] who looked totally dejected and refused to make any comment other than salam. The fact that Gorba did not show up also was a clear indication that things had not gone too well. [redacted] put in an appearance to say that they were working hard on the release, but would need more time. He also asked if we would accept two being released immediately and two more afer the delivery. He was told that we would leave for the airport after finishing breakfast. We also heard from the aircrew that the plane was beng refueled. This had been worrisome for the Iranians had stalled on refueling the plane. [redacted] The American delegation departed the hotel at about 0730. [redacted] and [redacted] accompanied the delegation to the Airport. [redacted] did not put in an appearance after his final talk with Mcfarland. At planeside, [redacted] asked to speak with McFarland. He asked for more time saying that arranging for the release was a very delicate and time consuming effort. McFarland told him that the plane with the spare parts was in the air, but if no word on the release of the hostages was heard by 0930, the plane would turn around and return to its base. O'neil was the last of the delegation to board the plane before take-off and he and [redacted] had one last exchange. [redacted] admitted that the hostages were not under their control. O'neil told him to get them under Iranian control. [redacted] said that they would seek to do this and that he would send Gorba to Europe to maintain contact with us. Our aircraft departed at 0900.

The above account is O'neil's outline recollection of what transpired and may differ somewhat from what others recall, but it is needed for O'neil's comments and recomendation to make sense.

COMMENTS;

1. If Gorba does appear, we must press him for positive identification of the people with whom we talked. Since [redacted] actually forget his alias during the course of one evening's discussions, we can assume that the others were using aliases, particularly since we have no traces on [redacted] [redacted] may not be a true name. [redacted] is an [redacted] name, but [redacted] does not have an [redacted] accent. He is definitely from South Tehran. If [redacted] is an alias it may explain why [redacted] have not been able to identify such a person [redacted]

2. It is quite possible that the Iranian side was negotiating under the impression that we were only interested in a deal for the hostages. This would explain why they tried so hard to get us to do more in exchange for the hostages, i.e., the 20 hawk batteries and the 18 additional hipar radars. It was therefore a good idea to leave a translation of the draft agreeement with them as it will give them something to chew on. McFarland issued a stern warning that we are getting fed up with overatures from them that don't pan out. We are interested in a long term political and strategic relationship, and if Iran does not pick up on this opportunity it may be years before there is another one.

3.Ramadan was certainly a factor in how the negotiations went.

also the problem caused by not being able to see anyone in a postion of power. The people we were negotiating with were a couple of rungs down the ladder. The fact tha[redacted] breath could curl rhino hide was no help either. On the positive side was the change in the attitude of the Iranian delegation. By tuesday they were begging us to stay.

4. We also have the problem of a dishonest interlocutor. The Iranian side made it clear that they were upset with Gorba. On tuesday, [redacted]old O'neil that one of the problems in our negotiations was the fact that prior to our meeting, Gorba gave each side a different picture of the structure of the deal. O'neil made the point to [redacted] that the letters they recieved were from Gorba, not the U.S. government. We will have to lean heavily on Gorba in the future.

5. Since both Gorba and [redacted] stand to make a lot of money out of this deal, they presumably will work hard to bring it off. Gorba has very special reasons for seeing that the deal goes through. The serious problem we must address is whether the Iranians can gain control of the hostages. [redacted]. This could be our real problem. The Iranians side may be most willing, but unable to gain control.

RECOMENDATION

Through hindsight it would have been better for Goode and O'neil to have gone in first to handle the initial negotiations. We should not have subjected a senior U.S. official to the indignities he was forced to endure. We have made the point to the Iranians that the draft agreement must be finally negotiated by senior responsible officials from both sides. If we have a subsequent response from the Iranian side it is strongly recomended that Goode and O'neil meet with the Iranian side somewhere in Europe to continue the negotiations.

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

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SYSTEM IV
NSC/ICS 40425

6351

MEMORANDUM OF CONVERSATION

SUBJECT: U.S.-Iran Dialogue

PARTICIPANTS:

U.S.
Robert C. McFarlane
Oliver L. North
George Cave
Howard R. Teicher

Israel
Amiram Nir

Iran
[redacted]

DATE: May 28, 1986
PLACE: Tehran, Iran, Independence Hotel/Mehrabad Airport
TIME: 7:50 a.m.

[redacted] appears at 7:50 a.m. Regarding the hostages, he says, "they think two can get out now but it will require 'joint action' on the other two." McFarlane says, "It is too late. We are leaving." ~~(S)~~

[redacted] arrives at 8:00 a.m. He repeats the proposal made by McFarlane tells him it won't work. "You are not keeping the agreement. We are leaving." ~~(S)~~

They try to slow us down but McFarlane has made up his mind. By 8:00 a.m. we are on our way to the airport. ~~(S)~~

As we board the aircraft [redacted] pleads, "Why are you leaving?" McFarlane told him to tell his "superiors that this was the fourth time they had failed to honor an agreement. The lack of trust will endure for a long time. An important opportunity was lost." We left Tehran at 8:55 a.m. ~~(S)~~

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under provisions of E.O. 12356
by B. Reger, National Security Council

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Prepared by:
Howard Teicher

[illegible]

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Declassify on: OADR

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N 1483

TOP SECRET SENSITIVE

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The first crisis occurred later in the evening when the Iranians

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insisted on removing the one crew member who was staying on the plane. They insisted that we had agreed to this at the earlier meeting. Mcfarland's response to this was that we pack up and leave. O'neil consulted with a young man named [redacted] who stayed in the hotel with us during the visit. He had been intrduced to us as the one person to contact to solve any problems which might come up. [redacted] was very upset that we consulted with [redacted] about the plane and referred to it as a breach of secuity on our part. He insisted that their primary concern was our security and this was adduced as the reason we were to stay couped up on the 15th floor of the hotel. We succeeded in getting a crew member back on the plane the following day. It was clear that the Iranians only wanted to search the plane. The search seemed to satisfy them and we had no subsequent problems on this issue. [redacted] was also very upset that we had our own communications(this was reason we gave for Having a man on the plane at all times). He argued that Iranian intelligence would pick up the signals and this could jeopardize the security of whole opeation. He said that they would put what ever we wished at our disposal including a dedicated telex. We insisted on our own commo and he gradually backed off. The hostile attitude of the Iranians on the first day left us a little uneasy.

On Monday we were left to our own devices throughout most of the day. We finally had another meeting late in the afternoon. At this meeting, another Iranian was introduced as [redacted]. He is several cuts above the other members of the Iranian side. He is obviously well educated and very cultured. At this meeting, McFarland outlined the reasons we were in Tehran. We wished to lay the groundwork for a new political and strategic relationship between our two countries. We considered the arms supplies as an example of our good faith and we insisted on the release of the hostages as an example of their good faith. [redacted] made the appropriate noises and said that Iran was prepared to have normal relations with every country, except two, Israel ans South Africa. McFarland outlined our concerans about soviet designs on Iran and told the Iranians that we woud provide them with a briefing which would detail our reasons for concern. He also spoke of Sadam Hussayn's December visit to Moscow in which the Soviets promised Sadam that they would do everything to prevent Iraq from Losing the war. [redacted] tried some of the usual Iranian bravado by claiming that if the soviets attacked, the Iranian soldiers would do well against them because of their devotion to shoheda. This was followed by a load of shit on shoheda. On the Iranian side [redacted] concentrated on the Hostage issue and [redacted] on the arms transactions. [redacted] said that they had already heard from their man in Lebanon who said that the group holding the hostages had insisted on several conditions as follows: (1) Israeli withdrawal from the Golan heights (2) Israeli withdrawal fom Southern lebanon (3) Removal of Lahad to East Beirut (4) freeing of the imprisoned Shi'ites in Kuwait, and (5) re-imbursement for the expenses of holding the hostages. [redacted] graciously volunteered that Iran would pay these expenses. [redacted] argued that we were not upholding our part of the deal because we had promised to bring half the parts with us(no such promise wa made). He did not repeat his sunday claim that the parts we brought were used. He insisted tht we bring the rest of the parts before the release of the hostages. We stuck to the terms of the agreement. When things seemed to come unstuck, McFarland got up and said that we would leave if they couldn't uphold their end of the

bargin. This upset [redacted] who said that McFarland was very firm and stern cond-rol and they as Iranians liked to negotiate in a more gentle narm) atmosphere. What was encouraging about monday's meetings was that the Iranians were far more friendly than on Sunday.

By this time it was clear that McFarland was not going to meet any of the principles that had been mentioned by Gorba. McFarland then told the Iranians that they could continue negotiations with the American staff and get back to him when some kind of agreement was reached. [redacted] made a big issue of the problems our presence in Tehran caused them. He stated that a senior official could not afford the political risk of a meeting with McFarland. He pointed out that it was Bazergan's meeting with Brezhinsky that brought down the Bazergan government. Based on [redacted]s comments we can take it as a certainty that Khomieni was not breifed on our presence or our mission. He would have to give his blessing before any senior official would dare to meet wih a senior American official. We ran into the same problem in our discussions with the Bazergan government. Gorba also let drop th[redacted] one of the senior personages that he had supposedly arranged for us to meet was also not aware of our presence.

Tuesday was a day of marathon negotiations with the Iranians stalling for time and trying to get the most out of the American delegation. The American delegation stuck by the terms of the original agreement and insisted that after the terms of the Frankfurt agreement were met, we would meet and discuss in detail their needs and the outline of our two countries' future relations. The American delegation proposed a specific timing for a subsequent meeting. During the late afternoon it was agreed that the American team would draw up an agreement which would be discussed later in the evening. To save time O'neil began working on a translation which was later completed by he and Gorba.

During tuesday's negotiations, all the demands of the hostages holders evaporated except for the demand for the release of the Shi'ite prisoners in Kuwait. Goode handled this part of the negotiations by firmly stating that the United States would not interfere in the internal affairs of Kuwait, particularly in an instance where Kuwaiti due legal pocess had been carried out. We would however seek to better the condition of Shia prisoners through the good offices of international organizations such as the Red Cross and the Red Crescent. Goode warned that as far as the well being of the Shi'ite prisoners in Kuwait is concerned, there had better not be any more terrorist activity directed at the Royal family in Kuwait.

The draft agreement was the subject of intense negotiations with the Iranians making some counter proposals which were designed to gain them more time. Talks broke off around midnight with the Iranian delegation saying it wanted to caucus. For the next two hours, heated discussions were held within the Iranian delegation. [redacted] both said that the other would be responsible if nothing comes of the negotiations. Finally, shortly before two on Wednesday morning, [redacted] asked to see McFarland. He wanted assurances that we would deliver the remaining spare parts two hours after the hostages were released, and would stay after the arrival of the spare parts to discuss additional Iranian needs. He also asked for more time to get control of the hostages. McFarland gave [redacted] until 0630 wednesday morning to arrange for the release of the hostages. The American delegation retired to grab a couple of hours sleep knowing that we had at least out-frazzled

them.

The first Iranian to put in an appearance Wednesday morning was [redacted] who looked totally dejected and refused to make any comment other than salam. The fact that Gorba did not show up also was a clear indication that things had not gone too well. [redacted] put in an appearance to say that they were working hard on the release, but would need more time. He also asked if we would accept two being released immediately and two more afer the delivery. He was told that we would leave for the airport after finishing breakfast. We also heard from the aircrew that the plane was beng refueled. This had been worrisome for the Iranians had stalled on refueling the plane. [redacted] The American delegation departed the hotel at about 0730. [redacted] and [redacted] accompanied the delegation to the Airport. [redacted] did not put in an appearance after his final talk with Mcfarland. At planeside, [redacted] asked to speak with McFarland. He asked for more time saying that arranging for the release was a very delicate and time consuming effort. McFarland told him that the plane with the spare parts was in the air, but if no word on the release of the hostages was heard by 0930, the plane would turn around and return to its base. O'neil was the last of the delegation to board the plane before take-off and he and [redacted] had one last exchange. [redacted] admitted that the hostages were not under their control. O'neil told him to get them under Iranian control. [redacted] said that they would seek to do this and that he would send Gorba to Europe to maintain contact with us. Our aircraft departed at 0900.

The above account is O'neil's outline recollection of what transpired and may differ somewhat from what others recall, but it is needed for O'neil's comments and recomendation to make sense.

COMMENTS:

1. If Gorba does appear, we must press him for positive identification of the people with whom we talked. Since [redacted] actually forget his alias during the course of one evening's discussions, we can assume that the others were using aliases, particularly since we have no traces on [redacted] [redacted] may not be a true name. [redacted] is an [redacted] name, but [redacted] does not have an [redacted] accent. He is definitely from South Tehran. If [redacted] is an alias it may explain why [redacted] have not been able to identify such a person [redacted]

2. It is quite possible that the Iranian side was negotiating under the impression that we were only interested in a deal for the hostages. This would explain why they tried so hard to get us to do more in exchange for the hostages, i.e., the 20 hawk batteries and the 18 additional hipar radars. It was therefore a good idea to leave a translation of the draft agreeement with them as it will give them something to chew on. McFarland issued a stern warning that we are getting fed up with overatures from them that don't pan out. We are interested in a long term political and strategic relationship, and if Iran does not pick up on this opportunity it may be years before there is another one.

3. Ramadan was certainly a factor in how the negotiations went.

also the problem caused by not being able to see anyone in a postion of power. The people we were negotiating with were a couple of rungs down the ladder. The fact tha[redacted] breath could curl rhino hide was no help either. On the positive side was the change in the attitude of the Iranian delegation. By tuesday they were begging us to stay.

4. We also have the problem of a dishonest interlocutor. The Iranian side made it clear that they were upset with Gorba. On tuesday, [redacted]old O'neil that one of the problems in our negotiations was the fact that prior to our meeting, Gorba gave each side a different picture of the structure of the deal. O'neil made the point to [redacted] that the letters they recieved were from Gorba, not the U.S. government. We will have to lean heavily on Gorba in the future.

5. Since both Gorba and [redacted] stand to make a lot of money out of this deal, they presumably will work hard to bring it off. Gorba has very special reasons for seeing that the deal goes through. The serious problem we must address is whether the Iranians can gain control of the hostages. [redacted]. This could be our real problem. The Iranians side may be most willing, but unable to gain control.

RECOMENDATION

Through hindsight it would have been better for Goode and O'neil to have gone in first to handle the initial negotiations. We should not have subjected a senior U.S. official to the indignities he was forced to endure. We have made the point to the Iranians that the draft agreement must be finally negotiated by senior responsible officials from both sides. If we have a subsequent response from the Iranian side it is strongly recomended that Goode and O'neil meet with the Iranian side somewhere in Europe to continue the negotiations.

TOP SECRET SENSITIVE

CHAPTER 14. "TAKEN TO THE CLEANERS": THE IRAN INITIATIVE CONTINUES

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Chapter 14, Footnote 3

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O'neil called [redacted] on 13 June at 1630 in the afternoon. O'neil opened the conversation by saying that we had heard from our friend t [redacted] wanted to talk to lus . [redacted] said that this was not tru but "our friend" had been pressing him to go -through with the deal.

O'neil then asked what we should do about the situation. [redacted] replied that he did not know why we didm't complete the deal when in [redacted] O'neil -nterupted to state that he had a suggesteon. We shou first meet in Europe to makeksure there were no misunderstandings as happened before.- Then our gorup would go to Dubai at an agreed upon date. Upon arival in Dubai the four boxes would be turned over, then the rest of the spares would arrive and later dependeing on timeing the two xx Quties would arive. We would stay until everything was delivered. [redacted] said that the meeting wxxx in Germany was not ne and that deal was unacceptable to them. He proposed that we arrive with the remaining 240 spares, then two -hostages would be truned ove when the two radars arrive, the two other hostages would be turned ov

We haggled abit O'neil insisting on our deal and he insisteing on his. O'neil suggested that meeting in Germany was neccessary and [redacted] finally agreed that if really neccessary he would come. He parrried the request that the bald headed doctor also attend. He added that it would be very difficult to get away at this time.

When discusing the possible trip to Dubai, [redacted] suggested that it was not neccessary for the chief to accompany group that comes.

Since discussion was getting nowhere, O'neil suggested that he was in position to decide on [redacted] s insistance, and there for it best that O'niel confer with his superiors and [redacted] with his and O'neil will get back to him in one or two days. At the end [redacted] -stated that it should not be that we give such importance to who doe what first, once this deal is completed there are meany important iss that we must discuss. He again insisted on the need of the US to demonstrate good faith.

O'neil asked if the hostages were now under their control because one point [redacted] said that he did not know if their delegation was still in Lebanon. [redacted] hestitated to answer [redacted] this one but said that they could get them. O'neil saidxxxx "then they are in your hands." and [redacted] said they were(note O'neil doubts this is true).

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1 page
N 2403

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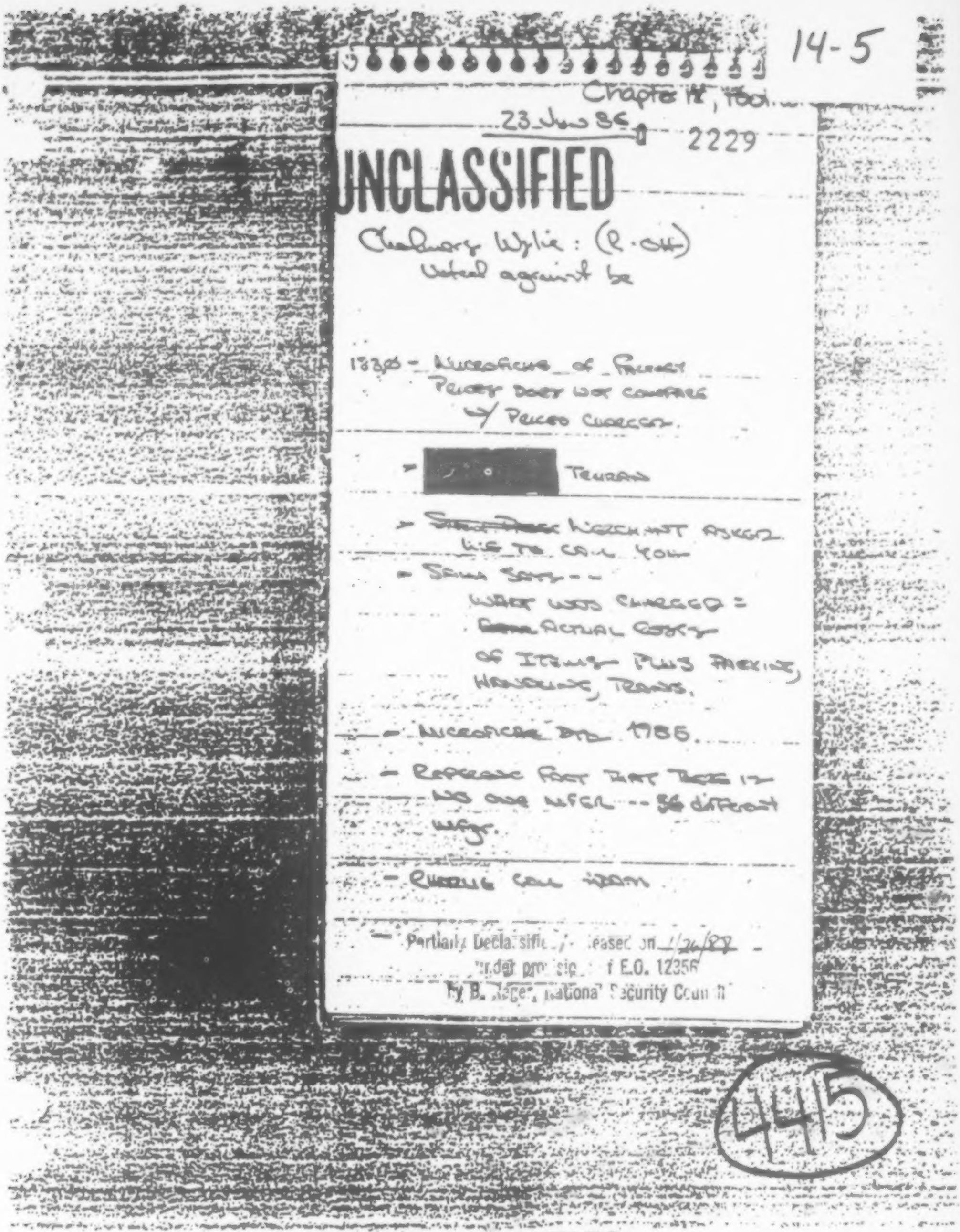

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Chapter 14, Tool

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Chalmers Wylie: (R-OH)
voted against bc

1330 – Microfiche of Factory
Prices does not compare
w/ Prices charged.

– [redacted] Tehran

– ~~[illegible]~~ Merchant asked
me to call you

– Sam says --
What was charged =
~~[illegible]~~ Actual costs
of items plus packing,
handling, trans.

– Microfiche dtd 1985.

– Reference fact that there is
no one mfgr -- 56 different
mfgs.

– Charlie call [illegible]

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?30?JUN86. S=SAM [redacted]

AFTER GREETINGS:

S-WE SENT OUR FRIEND A PRICE LIST FOR THESE 240.

[redacted]-WHEN?

S-LAST THURSDAY.

[redacted]-THURSDAY?

S-RIGHT. IT MUST HAVE ARRIVED.

[redacted]-IS THAT THE SAME PRICE LIST THAT HE GAVE US IN WHICH THE PRICES WERE SIX TIMES HIGHER?

S-NO. THIS IS THE BASIC PRICE FOR THE 240 ITEMS. IT DOES NOT INCLUDE TRANSPORTATION COSTS, INSURANCE, AND A FEW OTHER THINGS. JUST THE SALE PRICE.

[redacted]-HE DIDN'T GIVE US THIS.

S-PERHAPS IT HASN'T REACHED HIM, BUT WE SENT IT LAST THURSDAY.

[redacted]-?YOU GAVE HIM PRICES? ((INAUDIBLE))

S-YES.

[redacted]-HE GAVE US A PRICE LIST, BUT IT WAS NOT LAST THURSDAY. IT WAS BEFORE THA AND WHEN WE FIGURED OUT THE PRICES, THEY WERE ABOUT SEVEN TIMES HIGHER. NOW, I DON'T KNOW WHETHER YOU'RE TALKING ABOUT THAT LIST OR SOMETHING ELSE.

S-SOMETHING ELSE. THESE PRICES THAT HE GAVE YOU INCLUDED EVERYTHING--TRANSPORTATION ETC. WHAT I'M TALKING ABOUT IS THE PRICE FOR WHICH THE 240 WERE SOLD.

[redacted]-SO IF YOU SENT IT THURSDAY, SHOULDN'T IT HAVE ARRIVED BY NOW?

S-IT SHOULD HAVE.

[redacted]-I'LL GET IN TOUCH WITH HIM TONIGHT, ??IF I CAN LOCATE HIM??

S-LOOK, MR. GOODE AND I ARE IN A BAD SITUATION HERE.

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[redacted]-WHY?

S-BECAUSE THE HEAD OF OUR COMPANY IS VERY TIRED OF THIS DEAL; HE WANTS TO BREAK IT OFF.

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394 [redacted]-IT'S THE SAME FOR ME HERE.

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[redacted] UNCLASSIFIED [redacted]

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S-FINE. THEN BOTH OF US ARE IN THE SAME BOAT.

[redacted]-WHAT?

S-WE ARE BOTH IN THE SAME TRENCH. WE'VE GOT TO BRING THIS THING TO A CONCLUSION AS SOON AS POSSIBLE.

[redacted]-((FEW WORDS MISSED.)) MY SITUATION IS EVEN WORSE HERE. ((FEW WORDS)) NOW, IF THESE PRICES ARE LOWER, WE CAN PRESENT THIS PROPOSAL OF YOURS.

S-LOOK. THIS IS UP TO OUR FRIEND IN EUROPE.

[redacted] CAN YOU GIVE ME THE PRICES YOURSELF?

S-I DON'T HAVE THEM.

[redacted] WHO HAS THEM?

S-UH, ONE OF THE EMPLOYEES OF MR. GOODE SENT THEM. I HAVE NOT SEEN THEM AT ALL.

[redacted] ??WHEN WILL THEY GET TO US((INAUDIBLE))

S-UH, THEY MUST BE IN OUR FRIEND'S HANDS NOW. YOU WILL HAVE TO ASK HIM.

[redacted] ((INAUDIBLE))

S-HE HAS THEM. YOU WILL HAVE TO CONSULT WITH HIM.

[redacted]-((FEW WORDS)) WE TALK WITH YOU?

S-FINE. THAT MIGHT BE POSSIBLE IN THE FUTURE. THAT'S WHAT WE SAID WHEN WE WERE TALKING WITH YOU IN DUBAI. ((TEHRAN)). WE SAID THAT IT WOULD BE BETTER IF WE APPOINTED TWO PERSONS TO BE WITH YOU ALL THE TIME FOR DIRECT COMMUNICATIONS. THEN THESE MISUNDERSTANDINGS WOULD NOT OCCUR. DO YOU REMEMBER WHEN WE SENT YOU THAT VOLKSWAGEN. THIS WAS GOOD. THE PRICE WAS VERY GOOD. THE BEST POSSIBLE PRICE.

[redacted] LOOK. ALL I KNOW IS THAT HE SENT US A PRICE, AND WHEN WE FIGURED IT OUT IT WAS SIX TIMES HIGHER. ((FEW WORDS MISSED))

S-THE PRICES WHICH WE SENT WERE THE BASIC PRICES FOR ALL THE 240, WITHOUT TRANSPORTATION, INSURANCE, AND THINGS LIKE THAT

[redacted] ?WITHOUT? TRANSPORTATION AND INSURANCE?

S-AND ADMINISTRATIVE COSTS, AND FOR CLEANING OFF ALL THE CRATES.

[redacted]-I COULDN'T HEAR YOU. SPEAK UP.

S-THE PRICE THAT WE SENT DID NOT INCLUDE TRANSPORTATION, INSURANCE, AND OUR FRIEND'S PROFIT.

[redacted]-FINE. YOU TELL HIM TO GIVE US THOSE PRICES SO WE CAN SEE HOW MUCH LOWER THEY ARE. IF THE PRICES ARE ACCEPTABLE, I CAN PRESENT YOUR PROPOSAL.

S-VERY GOOD. BUT I'VE GOT NOTHING TO DO WITH THIS. THIS IS BETWEEN YOU AND THAT FRIEND OF OURS.

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[illegible] [redacted]-((FEW WORDS))HE SWORE THAT HE DIDN'T TACK ON ANYTHING AND THAT THESE

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WERE THE PRICES YOU GAVE HIM.

S-FINE. YOU WILL HAVE TO SETTLE THIS WITH OUR FRIEND AS SOON AS POSSIBLE. TALK WITH HIM. IT'S GOT NOTHING TO DO WITH US. I JUST WANTED TO TELL YOU THAT THE HEAD OF OUR COMPANY HERE IS MOST UNHAPPY, AND WANTS TO CUT IT OFF.

[redacted] WHO WANTS TO CUT IT OFF?

S-THE HEAD OF OUR COMPANY. HE SAYS, "IF THEY WANT THEM, THEY SHOULD BUY THEM; IF THEY DON'T WANT THEM, THEY SHOULD GET THEM SOMEPLACE ELSE."

[redacted] FOR THE SAME PRICE?

S-THAT'S BETWEEN YOU AND OUR FRIEND. HE'S THE MIDDLEMAN.

[redacted] ((INAUDIBLE))

S-THIS LIST WHICH WE SENT CONTAINS THE PRICE FOR WHICH IT WAS SOLD TO THE MIDDLEMAN. THIS FRIEND OF OURS BOUGHT IT FROM THE MIDDLEMAN.

[redacted] ((INAUDIBLE))

S-WELL, UNFORTUNATELY, IN THIS INSTANCE, THERE IS NO OTHER SOLUTION. WE MUS THINK ABOUT THE FUTURE.

[redacted] ((FEW WORDS MISSED)) YOU WERE SUPPOSED TO GIVE US THE FACTORY PRICES. IF YOU GIVE US THIS PRICE, DON'T YOU KNOW THAT... THIS FELLOW SAYS THAT HE IS NOT TACKING ON ANYTHING. HE IS NOT USING ANY ((WORD MISSED)). HOW MUCH IS THE TOTAL PRICE?

S- THEY SAID THAT IT WAS ABOUT 45. IS THAT RIGHT?

[redacted] 45?

S-RIGHT. ((ONE WORD)) THE 240 AND THE TWO GHUTIS.

[redacted] WITHOUT THE LOADING AND INSURANCE.

S-I DON'T KNOW. I'M JUST, I MEAN, I MEAN THE TOTAL PRICE, I MEAN THE TRANSPORTATION, AND THE TWO GHUTIS AND THE 240, AND THE INSURANCE, AND, ABOUT 45. I'M REALLY NOT INVOLVED IN THIS. IT'S ABOUT 45. RIGHT?

[redacted] WAS 45 THE PRICE YOU GAVE TO HIM?

S-NO, NO. WE [illegible] NOT GIVE THE PRICE. WE JUST AUTHORIZED THE COMPANIES TO SELL THEM TO SEVERAL MIDDLEMEN. OUR FRIEND BOUGHT THEM FROM MIDDLEMEN.

[redacted] ((FEW WORDS))THE PRICE AS IT NOW IS, DID OUR FRIEND ADD TO IT OR DID YOU ((FEW WORDS))?

S- NO. WE WERE NOT OURSELVES INVOLVED IN THIS DEAL. THIS IS HOW THE TRANSACTION WAS. WE AUTHORIZED THE COMPANIES TO SELL TO SEVERAL MIDDLEMEN. THESE MIDDLEMEN SOLD TO OUR FRIEND. THIS PRICE THAT WE SENT TO OUR FRIEND IS THE PRICE THAT THE COMPANIES SOLD TO THE MIDDLEMEN.

[redacted] ((FEW WORDS))DID THEY SELL IT TO OUR FRIEND?

S-NO, NO. OUR FRIEND BOUGHT IT FROM THE MIDDLEMEN.

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[redacted] OUR FRIEND BOUGHT IT FROM THE MIDDLEMEN.

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[redacted] UNCLASSIFIED

S-YES. AND THE MIDDLEMEN BOUGHT IT FROM THE COMPANIES. WE MERELY AUTHORIZED THE SALE OF THESE 240. AND THE PRICE LIST WHICH WE SENT, IS THE PRICE FOR WHICH IT WAS SOLD TO THE MIDDLEMEN.

[redacted]-THE PROBLEM IS ((FEW WORDS)). I DON'T THINK THAT...

S-THAT'S WHY WE HAVE ALWAYS SAID THAT IN THE FUTURE WE MUST BE IN DIRECT CONTACT FOR THINGS LIKE THIS. IT'S EASIER AND CHEAPER.

[redacted]((INAUDIBLE))

S-THIS TIME, IT HAS TO BE THIS WAY. THE HEAD OF OUR COMPANY IS VERY TIRED OF THIS, HE'S ANGRY, HE SAID, "IF THEY DON'T WANT TO DEAL, BREAK IT OFF."

[redacted]LOOK. THE PROBLEM IS THE PRICE. I HAVE NOT YET BROUGHT UP THE MATTER OF YOUR PROPOSAL. THE PRICE IS AN IMPORTANT MATTER FOR US. ABOUT THE PRICE, Y SAY THAT YOU GAVE PERMISSION TO THE MIDDLEMEN TO GO THERE AND MAKE THE PURCHASE.

S-RIGHT.

[redacted]-WE DIDN'T MAKE THE REQUEST OF ((FEW WORDS)); WE MADE THE REQUEST OF YOU.

S-WELL, WE HAD NO OTHER RECOURSE; IT HAD TO BE THAT WAY--FOR THE PRESENT. IN THE FUTURE, WE MIGHT BE ABLE TO ARRANGE SOMETHING. BUT NOW, THE IMPORTAN THING IS, IS THERE GOING TO BE A DEAL OR NOT.

[redacted]-THE IMPORTANT THING ~~FOR US NOW IS THAT. THESE~~ PRICES YOU GAVE ARE SIX TIME THE ORIGINAL ~~PRICES. ALWAYS AS IMPORTANT FOR US~~. IT HAD AN EFFECT ON THE OUTCOME. THEY SAY, "THIS IS NOT GOOD RELATIONS TO SELL SOMETHING FOR SIX TIMES THE PRICE.

S-I CAN'T DO ANYTHING ABOUT THAT. WHAT CAN I DO ABOUT IT?

[redacted]-WELL, LOOK. YOU ARE THE ONE WE ~~ARE~~ NEGOTIATING WITH. YOU KNOW PERSIAN, AN IT IS YOU WE ARE TALKING TO.

S-BUT MY HANDS ARE TIED. THESE 240 HAVE BEEN SOLD TO SOMEONE; HE BOUGHT IT AND RESOLD IT TO OUR FRIEND. WHAT CAN I DO? IT'S BEST THAT YOU BUY THESE GOODS SOMEWHERE ELSE. THESE WERE VERY DIFFICULT....

[redacted]-IF WE BUY THESE...

S-CAN YOU [illegible] THEM SOMEWHERE ELSE?

[redacted]-((INAUDIBLE))

S-NO, NO. IT WAS A VERY DIFFICULT THING TO BUY ALL OF THESE 240, BECAUSE THE ARE VERY SCARCE. AS YOU KNOW, SOME OF THEM WERE OUT OF STOCK.

[redacted]FINE. I ACCEPT THE FACT THAT IT WAS DIFFICULT, BUT SIX OR SEVEN TIMES THE COST? THIS IS NOT RIGHT. THIS IS HAVING AN EFFECT ON THE DEAL--ON YOUR GOOD WILL THAT YOU WISH TO ESTABLISH. AN ADVERSE EFFECT. THEY ARE SAYING, "IF THEY WANT US TO DO THIS SERVICE, WHY ARE THEY CHARGING SIX TIMES THE PRICE? WE HAVE NO PROBLEM WITH OUR FRIEND THAT HE IS ASKING THIS. WE HAVE NO PROBLEM WITH HIM. WE SEE THIS AS YOUR FAULT. ((FEW WORDS.)) TELL US WHAT THE PRICE IS, WHATEVER IT IS. WE HAVE NO QUARREL WITH A 5 OR 10 PERCENT MARKUP, BUT 600 PERCENT--NO.

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S-BUT IT ISN'T 600 PERCENT.

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[redacted]-YES IT IS. IT'S MORE THAN THAT. IT AVERAGES OUT TO 6.13 TIMES HIGHER.

S- YOU SAID THAT YOU HAVE A MICROFICHE. HAVE YOU SENT IT TO ME.

[redacted] YOU CAN GET ONE OF THOSE YOURSELF. I'LL SEND IT TO YOU. I'LL SEND IT ON A FLIGHT TOMORROW. ((PORTION MISSED.)) WE AREN'T GETTING THESE GOODS FROM HIM. WE'RE GETTING THEM FROM YOU.

S-NO. IN THIS INSTANCE, YOU ARE BUYING FROM OUR FRIEND, NOT FROM US. IT MIGHT BE THIS WAY IN THE FUTURE, BUT NOT NOW. IF THIS DEAL IS TO COME O IT WILL HAVE TO BE THROUGH OUR FRIEND. AND IF THIS DEAL IS TO BE SUCCESSF IT HAS TO BE THROUGH OUR FRIEND. THERE IS NO OTHER WAY.

[redacted]-I DON'T THINK THEY WILL AGREE IF THE PRICES ARE SIX TIMES HIGHER.

S- YOU AND I ARE IN THE SAME TRENCH; YOU HAVE A PROBLEM, I HAVE A PROBLEM. THE HEAD OF OUR COMPANY IS VERY DISPLEASED WITH MR. GOODE AND ME. PARTICUL WITH THE DELEGATION THAT WENT TO DUBAI. THE HEAD OF OUR COMPANY IS VERY DISPLEASED WITH THE TREATMENT THERE, AND HE IS READY TO TERMINATE THE WHOLE DEAL. I HAVE MY OWN OPINION ON THE MATTER; I WOULD LIKE TO SEE GOOD RELATIONS BETWEEN OUR COMPANIES IN THE FUTURE.

[redacted]-SPEAK UP, SO I CAN HEAR YOU.

S- I WANT TO SEE GOOD RELATIONS BETWEEN OUR TWO COUNTRIES, BUT THIS HEAD OF OUR COMPANY IS EXTREMELY UPSET.

[redacted]-FINE, IF YOU WANT ((FEW WORDS)) HOW CAN WE DO ANYTHING FOR YOU WITH THES PRICES? WE SENSE THAT THIS IS ((ONE WORD)).

S-IT IS NOT SIX TIMES HIGHER. IT IS MUCH LESS THAN THAT.

[redacted]-NO. BELIEVE ME THAT'S WHAT IT IS. I'M WILLING TO BET WITH YOU ON THAT.

S-FINE. BET WITH ME, BUT YOU HAVE TO SEND THIS MICROFICHE FOR US SO THAT ((FEW WORDS)) IT.

[redacted]-I'LL SEND IT, BUT ((FEW WORDS)).

S-WHO PREPARED THIS MICROFICHE?

[redacted]-THIS MICROFICHE THAT WE HAVE NOW, IN THE MARKET...((STARTS OVER))THESE PRICES THAT YOU GAVE US ARE BLACK MARKET PRICES. ON THE BLACK MARKET THEY PAY PRICES [illegible] ARE SEVERAL TIMES HIGHER. AND IF WE BOUGHT THESE THINGS O THE BLACK [illegible], WE WOULDN'T HAVE TO PERFORM ANY SERVICES. SO WE WILL BUY FROM THE [illegible] MARKET JUST AS WE HAVE UP TO NOW.

S-((FEW WORDS)) BUY FOR LESS ON THE BLACK MARKET?

[redacted]-NO. THESE PRICES THAT ~~YOU HAVE GIVEN~~ ARE BLACK MARKET PRICES, NOT FAIR PRICES. I WANT TO PROVE HERE THAT IF WE DO THIS SERVICE, ((FEW WORDS)) YOU WILL GIVE A POSITIVE ANSWER TO OUR ((FEW WORDS)). MY REPUTATION IS BEING RUINED BY THIS THING. I WON'T HAVE ANY POWER TO DO ANYTHING FOR YOU ANY MORE.

S-SOME OF THIS IS NOT IN MY HANDS. WE MUST UNDERSTAND THAT...

[redacted]-WE ARE WILLING TO BUY THIS, BUT FOR A REALISTIC PRICE, NOT FOR SEVERAL TIMES HIGHER. WE EXPECT YOU TO SELL AT THE CORRECT PRICE.

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S-FINE. THE PRICE... THAT'S RIGHT. BUT IN THIS DEAL, MONEY IS NOT AN IMPORTANT THING FOR US. THE IMPORTANT THING IS THE RELATIONS BETWEEN THE TWO COMPANIES.

[redacted]((FEW WORDS)) YOU INCREASE IT?

S-YOU HAVE TALKED WITH OUR FRIEND ABOUT THIS. WHAT DID HE SAY?

[redacted]HE SAID, "THIS IS THE PRICE THEY GAVE ME." ((SENTENCE MISSED)). IS HE TELLING THE TRUTH, OR NOT?

S-THAT'S RIGHT. I MEAN, WE SENT HIM THE PRICE OF THE 240, NOT INCLUDING THE TRANSPORTATION, INSURANCE, ETC, AND HE'LL HAVE TO TALK WITH YOU ABOUT IT MUST HAVE REACHED HIM.

[redacted] WHEN DID YOU SEND IT FOR HIM? THURSDAY?

S- RIGHT.

[redacted] DID YOU SEND IT BY MAIL.

S- WE SENT IT BY ONE OF THESE COURIER SERVICES WHICH DELIVERS IN ONE OR TWO DAYS.

[redacted]SO FRIDAY, SATURDAY....I'LL CALL HIM TONIGHT AND SEE WHAT THE PRICE IS YOU HAVE GIVEN HIM.

S- FINE. I DON'T HAVE THE LIST NOW.

[redacted]-CALL ME TOMORROW NIGHT, AND I'LL GIVE YOU AN ANSWER. I'LL FIND OUR FRIEND TONIGHT. LOOK. TRY TO KEEP THINGS GOING THERE. WE'VE BROUGHT THIS THING TO THE FINAL STAGES AND ARE ON THE VERGE OF A SOLUTION. DON'T LET THE ISSUE OF PRICE DESTROY WHAT WE'VE DONE. WE DON'T HAVE ANY PROBLEM WITH ANYONE; NOT WITH OUR FRIEND OR ANYONE ELSE.

S- AND I AM IN THE SAME BIND HERE, BECAUSE I'VE WORKED A LOT ON THIS, AND NOW IT HAS GOTTEN NOWHERE. WE HAVEN'T ATTAINED OUR GOAL.

[redacted]WE MUST TRY TO ?PURSUE THE RIGHT COURSE? HERE. NOW THIS PRICE THAT YOU WANT TO GIVE, WE EXPECT YOU NOT TO INCREASE IT ANY.

S- WE HAVE NOT INCREASED IT. IF THERE HAS BEEN AN INCREASE, IT HAS BEEN SOMEWHERE ELSE.

[redacted]IF YOU HAVE NOT INCREASED THE PRICE, SEND US THE REAL PRICE.

S- WE'VE SENT IT TO THE FRIEND.

[redacted] VERY GOOD. I'LL CONTACT HIM TONIGHT.

S-FINE. WE MUST NOT LOSE THIS OPPORTUNITY, BECAUSE THE TIME IS VERY SHORT.

[redacted]-FINE. I'LL GET THIS PRICE TONIGHT, THEN I WILL BRING UP YOUR PROPOSAL.

S-VERY GOOD.

UNCLASSIFIED

C1W0594

UNCLASSIFIED [redacted]

[illegible]

N 2399

Chapter 14
Footnote 7

Cave call [redacted] (Today 1400)

[redacted] claimed to have microfiche showing 1985 prices

Cave: Does not believe this; believes [redacted] + Company have looked at old records and compared prices

- Tehran does not trust the merchant and believes merchant or someone has grossly inflated prices
- Told [redacted] that price list went to merchant

14-7

- [redacted] extremely stubborn over prices; did not retreat one iota
- [redacted] said he would send microfiche, but Cave does not believe
- [redacted] asked Cave to call him back tomorrow

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under provisions of E.O. 12356
by B. Reger, National Security Council

— Merchant called me & was screaming that [redacted] was blaming him; merchant claims prices increased only 41% over price list you sent him. Merchant will call

(1832)

UNCLASSIFIED

14-11

UNCLASSIFIED

Chapter 14
Footnote 11

0 2243

1015 - Call from [illegible]

- One [illegible] tomorrow @ [illegible]

☐ [illegible] & transfer location

[redacted]

☐ PRESIDENTIAL STATEMENT
"Thanks to all those who used influence to bring this about"

☐ [redacted] TEAM

☐ [redacted]

☐ FAMILY NOTIFICATION/TRANSPORT

☐ TRANSPORT OF AIRCRAFT FOR [illegible]

☐ ALERT ESCORT FOR
[redacted]

☐ [redacted]

☐ ALERT
SHULTZ ___
WEINBERGER ___
CASEY ___
VP ___
Cong DORNAN ___
Cong BROWN ___
FBI ___

☐ MESSAGE TO IRANIANS
([illegible])?

☐ NEXT STEPS

4417

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UNCLASSIFIED

14-13

CLASSIFIED AT TIME OF PUBLICATION.

UNCLASSIFIED

Chapter 14, Footnote 14,83

14-14

8 Sep 86 Q 2395

1350 - Call from Sam
- Australian called despite
- Asked for party orr. data
- Going to see Casey now.

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1430 - Call from Rod Smith
Re Adrogue & Honey
- Amended complaint
2 Paragraphs re

1500 - Call from Charlie
- Casey to call JMP
- Gates supportive
- [redacted] caller to Geo
  - 4 times Sat.
  - 2 times today.

4418

UNCLASSIFIED

1530 - RIG(W)
o Lee Hamilton has no how $100m is to be spent
o Pastora:
- believes we will pay off his debts if we cooperate
- $365K claimed
- Calero, Espinoza, [illegible] & Pastora could be a viable collaboration & cabal.
- Put Pastora on "Pay as you go" basis for certain political $.

[illegible]
NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

Non-Log

N 3903

Chapter 14
Footn.

14-26

August 5, 1986

~~TOP SECRET~~

MEMORANDUM FOR THE RECORD

SUBJECT: Operations Sub-Group (OSG) Terrorist Incident Working Group (TIWG) Meeting

The OSG met on Tuesday, August 5, from 1:30-2:45 p.m. with LTCOL Ollie North, Ambassador Bob Oakley, Richard Armitage, LTGEN John Moellering, Charlie Allen, Dewey Clarridge, Buck Revell, and Craig Coy attending. The following topics were discussed:

[redacted]

Hostages: There was a lively discussion on the next steps to take on the remaining hostages. The discussion touched on the possibility of Kuwaiti releasing the Da'wa seventeen and the conditions that would lead to that action. [redacted]

Revell raised the concern that we may be acting inconsistently with the President's policy of no negotiation and that it would not be in our best interest.

Armitage questioned what our policy should be and whether we should bargain for the hostages.

Moellering asked whether the President felt pressure to get the hostages. North responded that he has a personal sense of obligation and that the President had instructed North to get them out.

[redacted]

~~TOP SECRET~~
Declassify: OADR

TOP SECRET

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by B. Reger, National Security Council

3448

[illegible]
201-1666

Page N3904 denied in its entirety.

UNCLASSIFIED

14-35

CLASSIFIED AT TIME OF PUBLICATION.

Chapter 14,
footnotes 36-41

14-36to41

3 pages
N2560-N2562

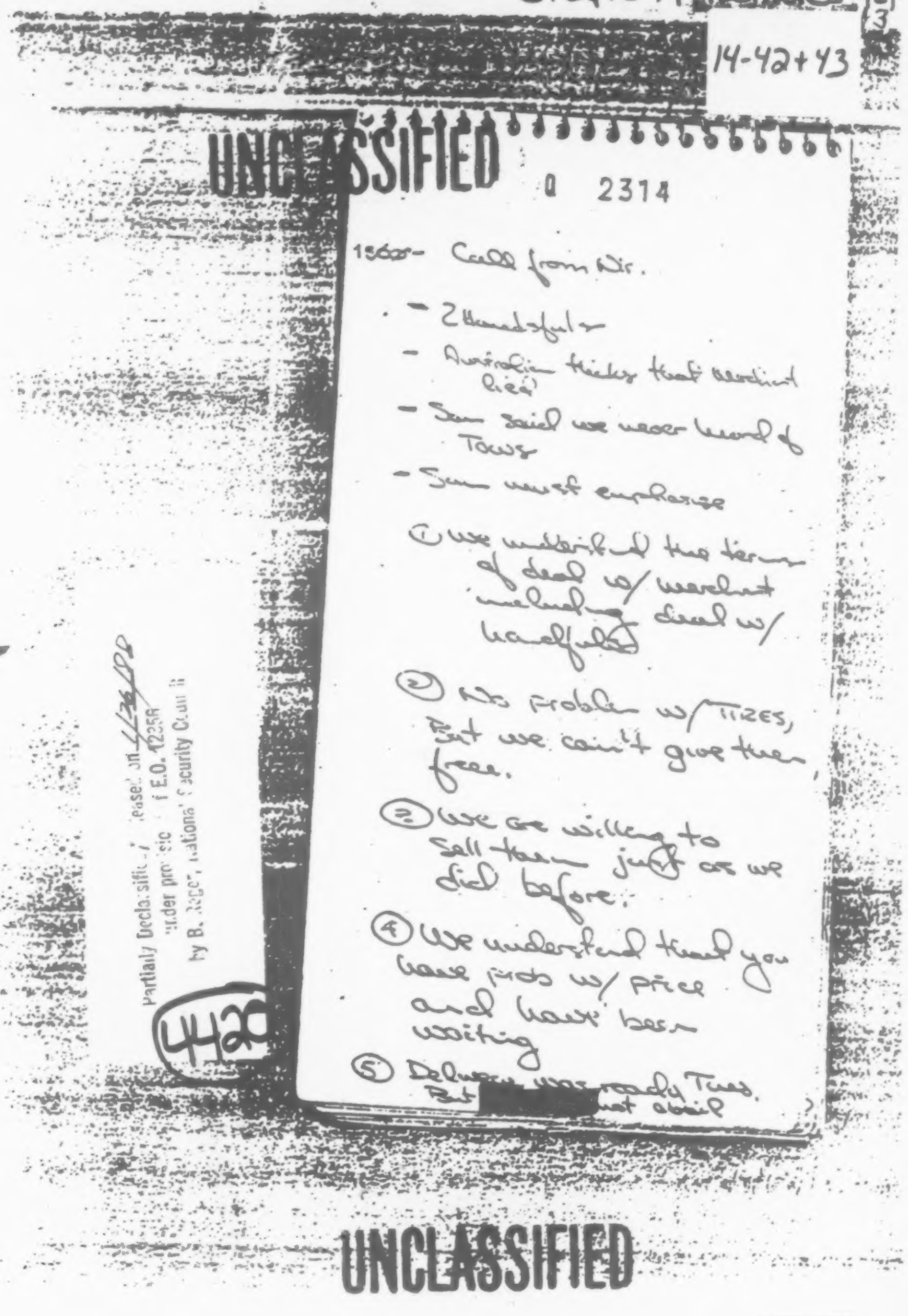
DENIED IN
TOTAL

Illegible: not reviewable

4419

Chapter 14- ~~Footnotes~~ 42, 43

14-42+43



UNCLASSIFIED

0 2314

1500 – Call from Dir.

- 2 Handfuls
- Australian thinks that Merchant lied
- Sam said we never heard of TOWs
- Sam must emphasize

① We understand the terms of deal w/ merchant including deal w/ handfuls

② No problem w/ TIRES, But we can't give them free.

③ We are willing to sell them just as we did before.

④ We understand that you have probs w/ price and have been waiting

⑤ Delivery was ready Tues. But [redacted] not avail

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4420

UNCLASSIFIED

14-45+47

Chapter 14, Footnotes 45,

447

UNCLASSIFIED

8 Aug 86

Q 2339

- Every host. released increases possibility that next one will be released; exposes other side to increased risk from opposition/exposure

- Rafsanjani: If all the hostages are released at once everyone knows that a deal was made w/ Iran.

- Proposed next step:
  - ~~[illegible]~~ ① 40 Tubes 500 Tows
  - ② [redacted]
  - ③ 530 + HP + 137 missing items
  - ④ [redacted]
  - ⑤ Meeting
  - ⑥ Remaining for disc:
    - [redacted]
    - HP
    - Building location

Nex

4421

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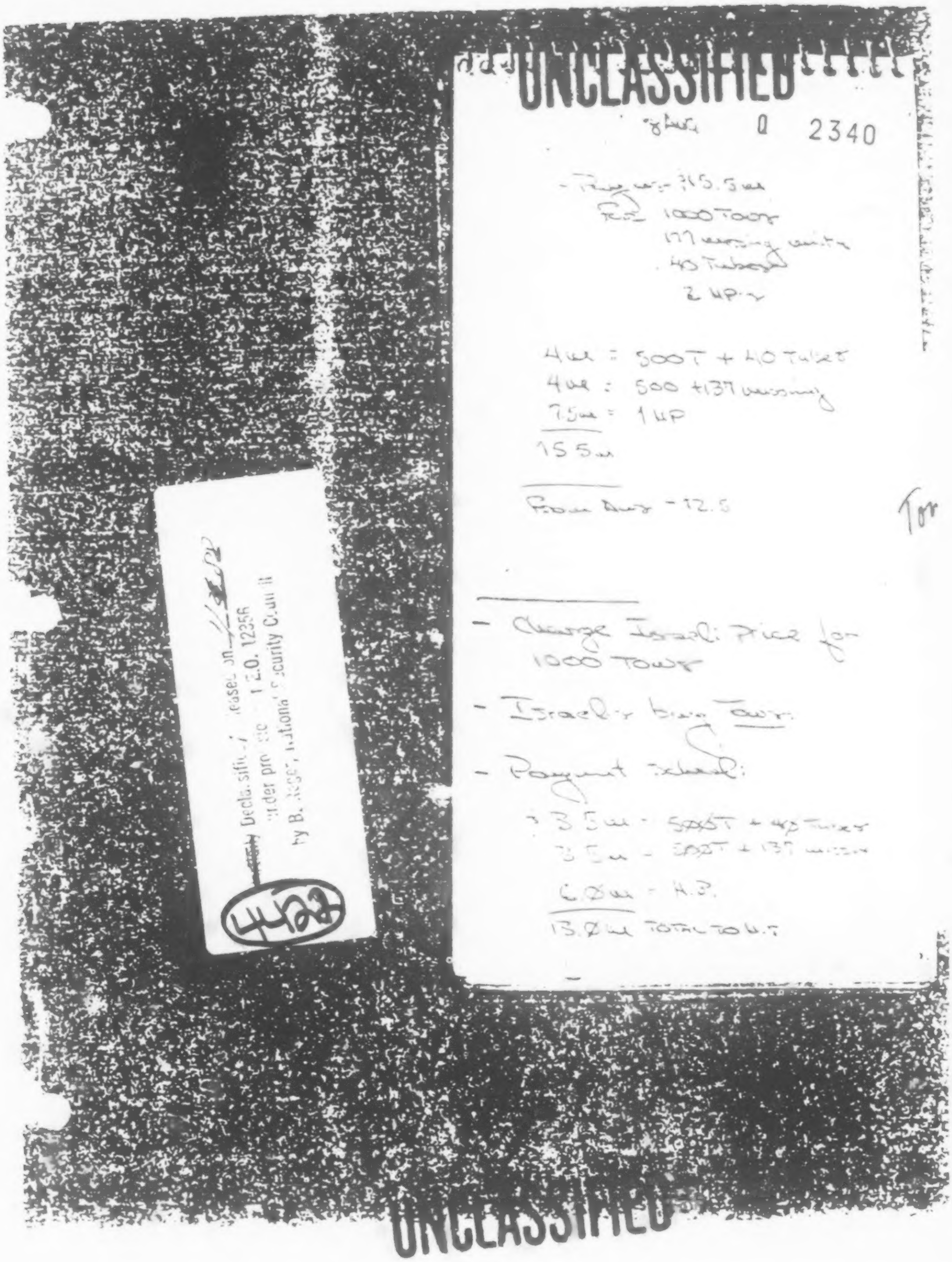
under provisions of E.O. 12[illegible]
by B. [illegible]



UNCLASSIFIED

8 Aug Q 2340

- Package = $15.5m
  Price 1000 TOWs
  177 missing units
  40 Tubes
  2 HP's

4m = 500T + 40 Tubes
4m : 500 + 137 missing
7.5m = 1 HP
15.5m

From Amos - 12.5

Tor

- Charge Israeli Price for 1000 TOWs
- Israelis bear TOWs
- Payment Schedule:
  3.5m - 500T + 40 Tubes
  3.5m - 500T + 137 missing
  6.0m - H.P.
  13.0m TOTAL TO U.S.

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4422

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Chapter 14, Footnote 48
09516

UNCLASSIFIED

Miscellaneous notes: August 15, 1986

XXX Adam admitted that he authorized part of the deal as mentioned in the Mercant's letter to the Australian. He did not mm authroize anything about Sidewinders. We have only [redacted] the first letter from Adam, not the second. This should give us some pause.

[redacted]

14-48

4. Follow i[redacted] schedule:
   a. 39 of Item 24 plus 500 tires.
   b. One account is released.
   c. Rest of missing items, one [illegible] big box and 500 tires.
   d. another account is released.
   e. We meet in point Tango.
   f. negotiate for last account will require release of the 309 items controlled by Adam's people.

5. need a picture of Chairman of the [redacted]l bank.

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4423

A

Registry 19167

CIIN 4028 UNCLASSIFIED

14-55

UNCLASSIFIED

20 Aug 86 Chapter 14
Footnote 55

- Richard/Abe will meet
w/ him next wk

2349

[redacted]

☐ Check w/ Hope Re
Medicines
-Antibiotics

1800 - Call for NIR
- - missing Parts from 240

- #16 - [illegible] 10 Del. 2 don't work
- #27 - 2 Del 1 ~~[illegible]~~ won't work
- #76 - All 5 Don't work
- #80 - 1 of 5 " "
- #123 - 7 of 10 " "
- # 10-16 = higher system
- #22 = 6 Ahead 2 proper; 4 new sys delivered
- #204 - 2 new sys delivered
- # 232 - 25 del. none functioning

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under provisions [illegible]
by B. Reger, [illegible]

4424

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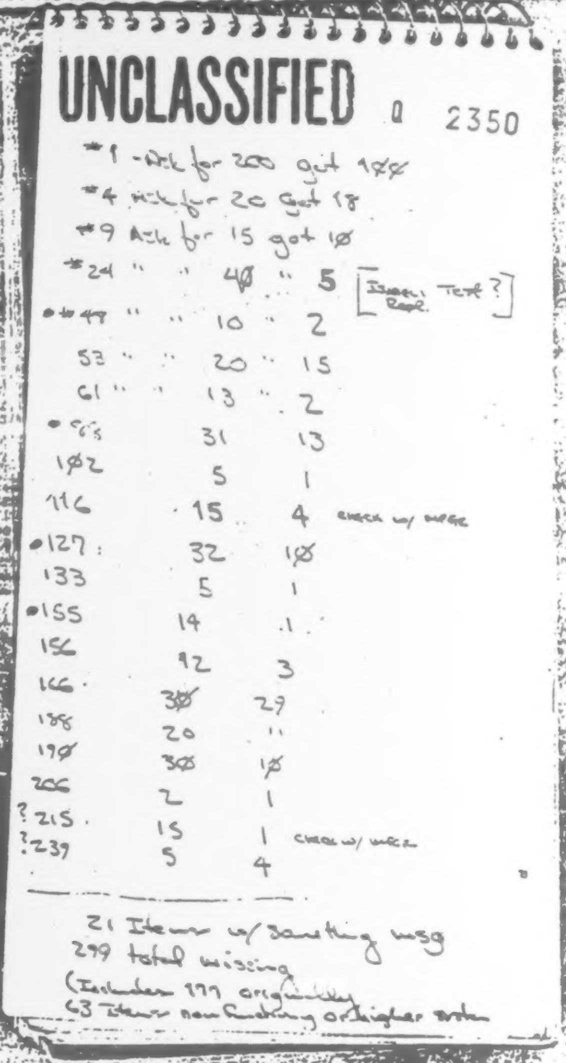

UNCLASSIFIED 2350

#1 - Ask for 200 got 100
#4 Ask for 20 got 18
#9 Ask for 15 got 10
#24 " " 40 " 5 [Israeli Rqst. Test ?]
•#48 " " 10 " 2
53 " " 20 " 15
61 " " 13 " 2
•65 31 13
102 5 1
116 15 4 check w/ [illegible]
•127 32 10
133 5 1
•155 14 1
156 92 3
166 30 29
188 20 "
190 30 10
206 2 1
?215 15 1 check w/ [illegible]
?239 5 4

21 Items w/ something msg
299 total missing
(Includes 177 originally
63 Items non functioning or higher [illegible]

~~Unclassified~~ Declassified [illegible] on 1/2? [illegible]
under provisions of E.O. 12356
by B. [illegible]

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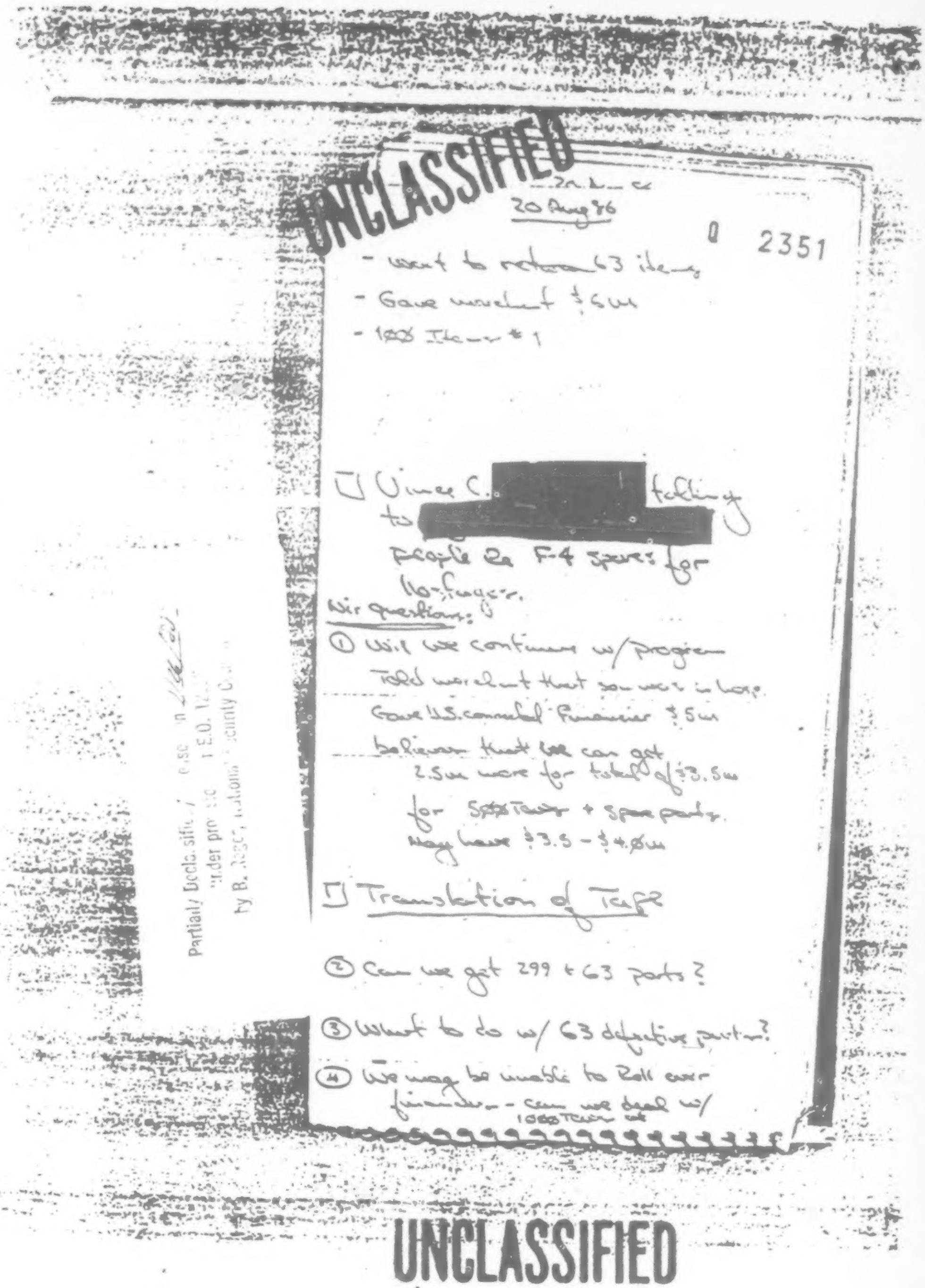

UNCLASSIFIED

[illegible]

20 Aug 86

0 2351

- want to return 63 items
- Gave merchant $5m
- 100 Items #1

[ ] Vince C. [redacted] talking to [redacted] people re F-4 spares for [illegible].

Nir questions:

① Will we continue w/ program

Told merchant that we were in loss.

Gave U.S. connected financier $5m

believes that we can get 2.5m more for total of $3.5m for 500 Tows + spare parts.

May have $3.5 - $4.0m

[ ] Translation of Tape

② Can we get 299 + 63 parts?

③ What to do w/ 63 defective parts?

④ We may be unable to Roll over financier - can we deal w/ 1000 Tows at

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14-44

See Hearing Exhibit OLN-296

14-49

See Hearing Exhibit JMP-21

14-58

See Hearing Exhibit OLN-272

14-61

See Hearing Exhibit OLN-272

14-68

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14-69

CLASSIFIED AT TIME OF PUBLICATION.

14-70

See Hearing Exhibit AH-38

See Hearing Exhibit AH-39

14-79

See Hearing Exhibit OLN-300

14-82

See Hearing Exhibit OLN-299

14-87

See Hearing Exhibit OLN-302

UNCLASSIFIED Chapter 14 75

14-75

31-Jul Q 2307

[redacted]

Call from Sam
- 1700 - [redacted] call to Cave
- [redacted] to meet [redacted]
- Medicines -- small shipment donated
- Tail # for flight
- Agreed that [redacted] wd meet in Europe

1830 - Call from Nir
- very concerned about payment assurances

4425

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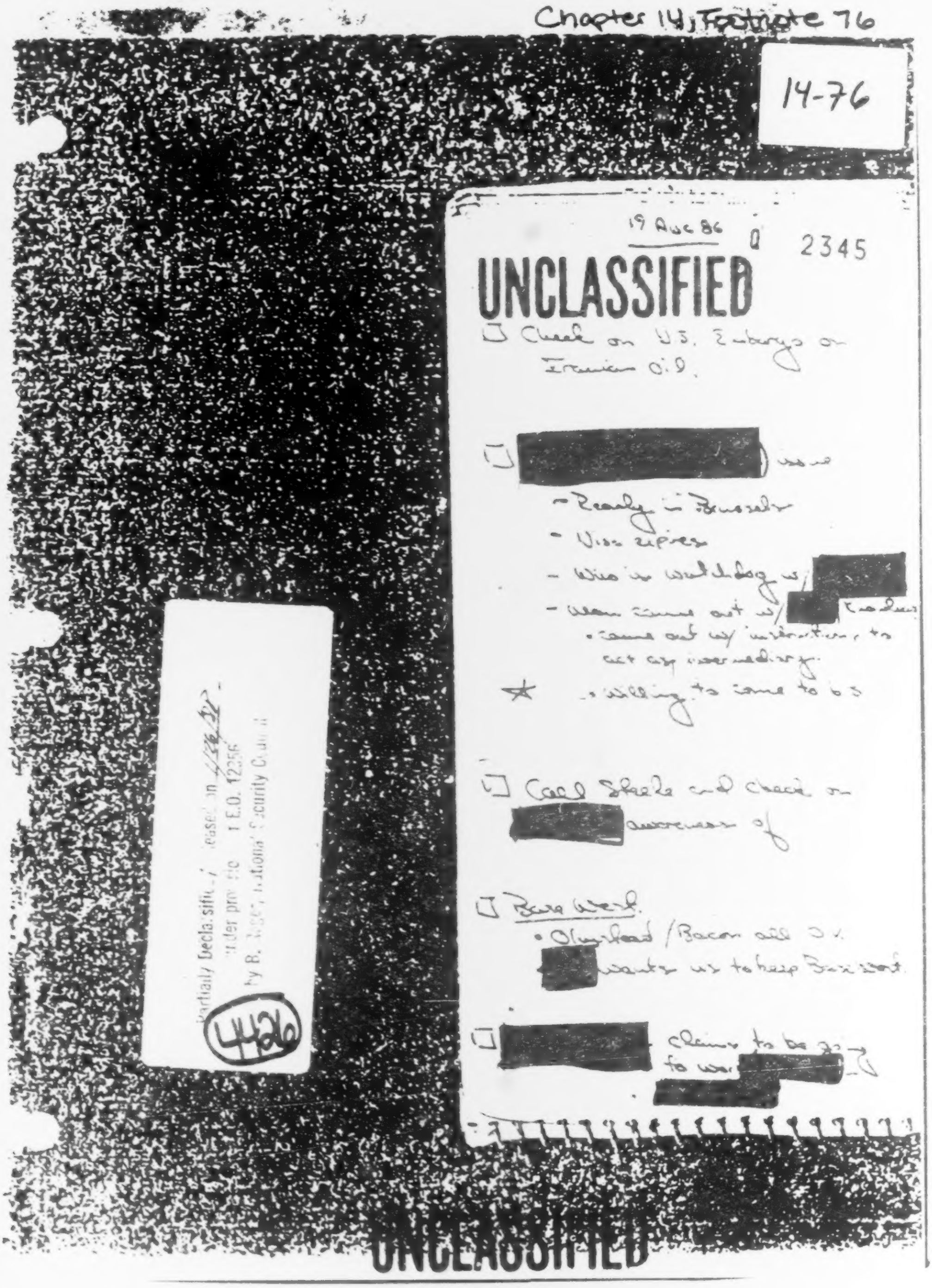
Chapter 14, Footnote 76



14-76

19 Aug 86

2345

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☐ Check on U.S. Embargo on Iranian Oil.

☐ [redacted]) issue
- Ready in Brussels
- Visa expires
- Who is watchdog w/ [redacted]
- When comes out w/ [redacted] [illegible]
  - Came out w/ instructions, to act as intermediary.

★ • willing to come to U.S

☐ Call Shacks and check on [redacted] awareness of

☐ Base Work.
- Olmstead / Bacon all O.K.
- [redacted] wants us to keep Base Work.

☐ [redacted] claims to be going to war [redacted]

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under provisions of E.O. 12356
by B. [illegible], National Security Council

4426

UNCLASSIFIED TOP SECRET

Chapter Footnote 14-77

~~TOP SECRET~~

N 2801

Copp: 8/26/86 1320

Partially Declassified/Released on 27 Mar 87 under provisions of E.O. 12356 by B. Reger, National Security Council

261800Z Aug 86.

1. Following is summary report of three long meetings -- total circa eight hours -- with Iranian gp visiting Brussels. Meetings took place August 25 in three segments. Iranian side wa[redacted] of Rafsanjani [redacted] Our side included me -- true name -- Abe in true name, and [redacted] our agent. Meetings constituted comprehensive tour de force regarding Iran/Iraq War, Iranian views of U.S. and other western policies, Soviet activities, activities of nearly all important Iran government figures, hostage matters, activities in the Hague, and Iranian forces equipment and materiel shortages.

2. Special interest items included claim that [redacted] have recently tried to meet wit[redacted] -- he has declined -- he wants to deal with the Presidents representatives. [redacted] is very sharp, [redacted] speaks no English. [redacted] claims Rafsanjani now heads supreme war council and aims to terminate war but in little more favorable military situation for Iran than current. They badly need air defense items, armor spares, TOWs, gun barrels, helo spares, and [redacted]. I told them all things negotiable if we can clear the hostage matter quickly. [redacted] knew great deal about McFarlane man to Thn. He also knows all about [redacted] Gorba, Isareli connection, and this gps financial

939

~~TOP SECRET~~

UNCLASSIFIED TOP SECRET

N1158 12/2/86 KK

greed. Gorba was nastly classified as a crook. [redacted] wealth of current of information but also volunteers to discuss hostage matter and USG connection with [redacted] in next 10 days. He will then return to Brussels for meeting with us. [redacted] said categorically he would not screw up [redacted] efforts but would carefully examine them for feasibility. [redacted] will recommend two courses to [redacted]

a. Assist in current [redacted] effort to release hostages or start new effort.

b. [redacted] says there are many specific things USG can do in the Hague and on Voice of America programming to help start USG/GOI talks -- he will give us documents on these subjects at next meeting.

3. Numerous military supply problems were discussed and I will detail these for you later this week in Washington. FYI: They need oil barter deals.

4. My judgement is that we have opened up new and probably much better channel into Iran. This connection has been effectively recruited and he wants to start dealing. Recommend you plan on bringing George to next meeting in two weeks or less.

Rgds, Dick. BT

Chapter 14, Footnote 83

UNCLASSIFIED

14-83

- wild newspaper to publish
- wdy - brokered by 3d country

4 Sep 86

2388

1730 - Mtg w/ Juan

☐ Go/NoGo on Sequential Democracy

- ☐ Prob. w/ Southern OPS
  - Beginning to keep conx
  - Trying to sell 3.1 M shipmt in Europe

    offered for 4.5 M
  - Customs investigation of Wells A/C ...

    -- Second

[redacted]

☐ Mtg at Eglin - 12 Sep 86

☐ Calling "good bye" w/ RR "and letter"

- Probs w/ Separate & unifire. # of Teams
- need to talk to Jo-Lu.
- Iran/Iraq border situation

[redacted]

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4427

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Chapter 14, Footnote 148

14-85

8 Sept 86 Q 2395

1350 - Call from Sam
- Australian called despite
- Asked for party orr. data
- Going to see Casey now.

1430 - Call from Rod Smith
Re Avirgan & Honey
- Amended complaint
2 paragraph - Re

[illegible] - Call from Charlie
- Casey to call JMP
- Gates inquiring
- [redacted] caller to Geo
- 4 times Sat.
- 2 times today

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4418

UNCLASSIFIED

1530 - RIG(W)
o Lee Hamilton [illegible] on [illegible] $100m in to be spent
o Pastora:
- believes we will pay off his debts if we cooperate
- $365K claimed
- Calero, Espinosa, [illegible] + [illegible] could [illegible] a [illegible] collaboration [illegible]
- Put Pastora on "Pay as you go" basis for Central Political [illegible]

UNCLASSIFIED

Chapter 14
Footnotes 90, 92, 94

9/10/86

TOP [redacted] NOFORN/NOCONTRACT/ORCON

UNCLASSIFIED

ntral Intelligence

Washington, DC 20505

Partially Declassified/Released on 6 July 19
under provisions of E.O. 12356
by B. Reger, National Security Council

National Intelligence Council

10 September 1986

MEMORANDUM FOR: Director of Central Intelligence

14-90+92

FROM: Charles E. Allen
Director, Hostage Location Task Force

14-94

SUBJECT: American Hostages

* 1. I met with Ollie North last night at his office on American hostages. Ollie had just returned from a meeting with John Poindexter on the same subject.

2. Poindexter has given Ollie new guidance on the American hostages, namely:

- [redacted]
- Ollie is to continue to develop links to the Iranian Government through Albert Hakim and Dick Secord of Stanford Technology Associates. (Hakim, as you are aware, has links to the [redacted] C The [redacted] apparently is attempting to arrange for Ollie and George Cave to meet with Rafsanjani, presumably with the next shipment of arms to Tehran.)
- Ghobanifar will be cut out as the intermediary in future shipments of cargos to Iran, if at all possible. To cut Ghobanifar out, Ollie will have to raise a minimum of $4 million.
- If there is no other channel for financing future arms shipments, then Ghobanifar will be used as a last resort.

3. Ollie is greatly relieved by Poindexter's decisions because he feared that John and the President would shut down completely this back channel to Iran because of the kidnapping yesterday of Frank Reed. [redacted]

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– Reed released immediately

Charlie
Charles E. Allen

1688

CL BY [redacted]
DECL OADR

UNCLASSIFIED

[illegible]

TOP SECRET [redacted] NOFORN/NOCONTRACT/ORCON

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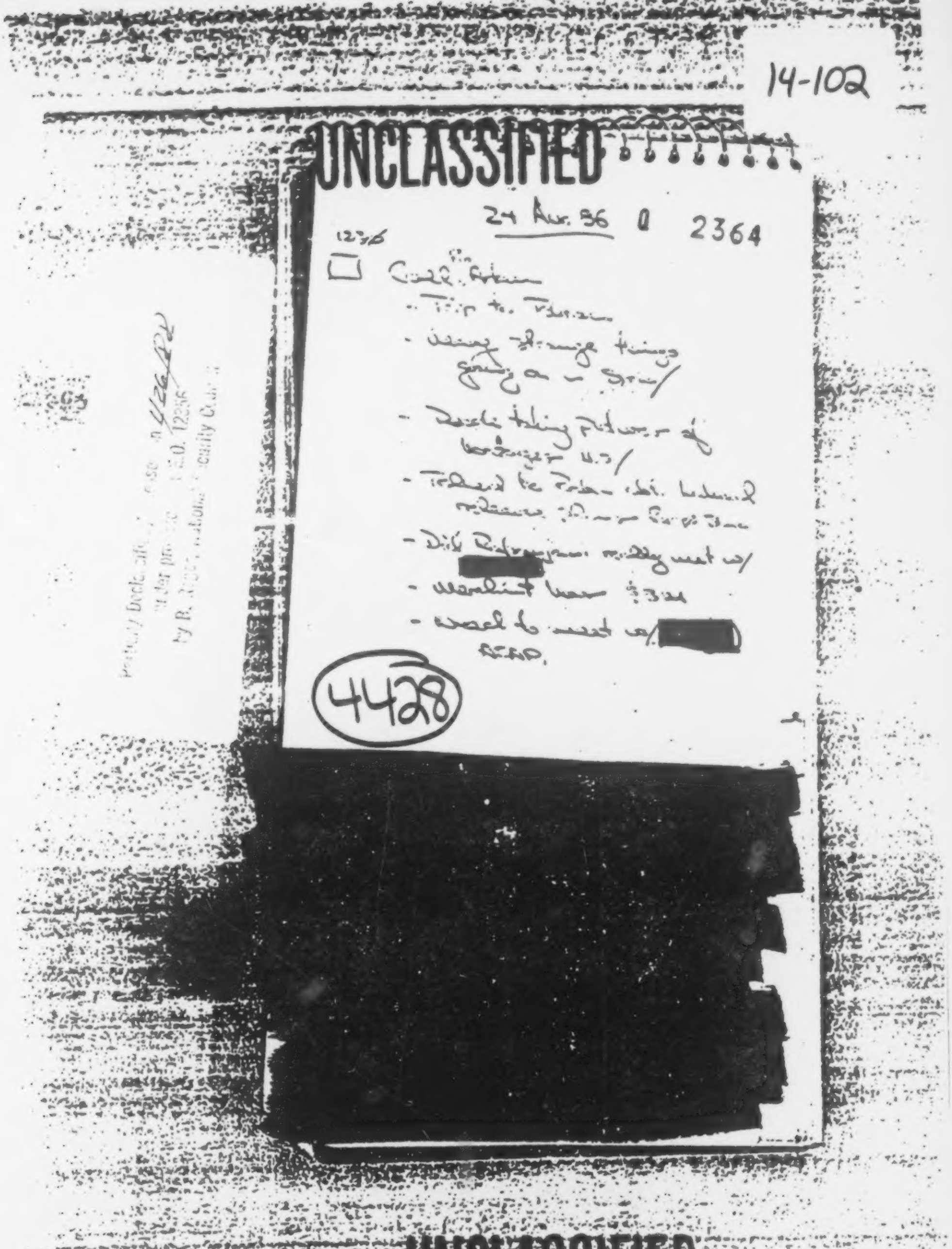
Chapter 14, Footnote 102



14-102

UNCLASSIFIED

24 Aug. 86 0 2364

1236

☐ Call [illegible]
- Trip to [illegible]
- seeing strange things going on in [illegible]/
- People taking pictures of [illegible] [illegible]/
- Followed the [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]
- Did [illegible] really meet w/ [redacted]
- [illegible] [illegible] 3:24
- would like to meet w/ [redacted] ASAP.

4428

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See Hearing Exhibit OLN-299

See Hearing Exhibit JMP-57

Chapter 14, Footnote 106

14-106

UNCLASSIFIED

17 Sep 86

1100 - Call fr [redacted] Q 2413

- Gave excellent financial reports
- 2 obj:
  - Get [illegible] out
  - Get enough to start [illegible]
- not possible to get [illegible] out
  - many doubts.
  - US is bluffing.
- Probably not agree to come just for that purpose
- could take 2-3 wks.
- possible reaction to "non performance"
- does not have ability to raise what is needed can only raise $4M

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under provisions of E.O. 12356
by B. [illegible], National Security Council

4429

UNCLASSIFIED

Chapter 14, footnote 107

14-107

2 pages

N 2799 - N 2800

DENIED IN

TOTAL

Illegible not reviewable

Chapter 14, Footnote 110
J 595:

UNCLASSIFIED

14-110

2 September 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Hostage-Related Activities

1. At the request of Mr. Goode on 29 August, I contacted Abe [redacted] on an alleged diversion of US TOW missiles to Iran. I had been alerted to this development two days earlier by Mr. Goode, who had been told by Abe that 1,250 TOWs were about to be shipped from Houston to [redacted] then on to Tehran. I had discussed this possible diversion with Buck Revell and Dale Martell of the FBI and Bill Rosenblatt and Gary Wahl of Customs.

2. On Friday evening, 29 August Abe informed me that he had learned from his man in London [redacted] that the TOWs would be shipped within 48 hours out of Houston. Abe stated that he expected to get the total story on 1 September, but that his contact [redacted] had been told by [redacted] that a shipment was imminent. The shipment consisted of a second generation of TOWs which were selling at $13,000 apiece; four unnamed Americans were involved. According to Abe, [redacted] is related to [redacted] The TOWs were to be flown from Houston [redacted] before transshipment on to Iran.

3. Based on this information and Mr. Goode's request that action be taken, I informed both the FBI and Customs of the new information and was assured that action was being taken. In fact, I was in touch with Mr. Wahl several times on 30-31 August and on 1 September. Mr. Wahl indicated that Customs had allocated a large number of agents in an effort to stop this alleged diversion.

4. On 1 September, Abe called me urgently to state that he had acquired some new information that could radically change our current view of the alleged TOW diversion. He said that he had been in telephone contact with [redacted] in London. [redacted] had talked with [redacted] in [redacted] had refused to provide the names of the four Americans involved in [redacted] transaction, claiming that the Americans might be "mafia-types" [redacted] revealing their names could put his life in jeopardy.

5. Abe stated that from what he has learned of the transaction to date, the footprints of the merchant and his banker are "all over this transaction." The banker can obtain end user certificates and the merchant has established two letters of credit with banks in Switzerland;

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under provisions of E.O. [illegible]
By B. Reger, National Security Council

UNCLASSIFIED

4431

UNC[redacted]

J 5958

one of the letters of credit is from the London Branch of the Iranian National Bank. Abe speculated that these letters of credit could involve transactions that the merchant has underway with Mr. Goode. According to Abe, he had no information indicating that the TOWs had been shipped. The plan, according to Abe, was to get [redacted] to London where he will be wined and dined by [redacted] and hopefully will tell all he knows about the TOW transaction. At that time, the plan was to have [redacted] in London on the evening of 2 September. Abe again reiterated that "the merchant's M.O. is all over this transaction," noting that the merchant did not get paid until recently. Abe claims that he believes one letter of credit is for $9M and the other for $6M.

F

6. Abe stated that [redacted] first name was [redacted] and that his telephone numbers in [redacted] He wondered whether the merchant was not operating separately; the proposed Houston deal may be imaginary, although there were probably four Americans in [redacted] at one point. Abe said that the telephone numbers of this agent, in London, [redacted]xtension [redacted]

F

7. Abe called again on 2 September to state that [redacted] had been told by [redacted] that the shipment of TOWs arrived last night in Tehran. As a result of this shipment, Iran is prepared to consider the release of the American hostages. Currently, Iranian officials are examining the delivered TOWs; if all is in good order, Tehran will validate the letter of credit in the Swiss bank.

F F F C

8. In the 2 September call, Abe stated that [redacted] was told by [redacted] that a meeting between "the two sides" would now be scheduled in Switzerland. [redacted] said that he wants [redacted] to participate; [redacted] demurred at this suggestion but told [redacted] that he would get back to him. [redacted] is checking [redacted] story wi[redacted] [redacted] reiterated that three hostages were being released as a result of the TOW shipment. Abe complained that [redacted] story made no sense at all, although it was possible that another operation was underway with the banker and the merchant perhaps cutting out Adam and Goode. Abe stated that Abe would not come to [redacted] as a result of the latest developments. Therefore, [redacted] will go to [redacted] tomorrow to talk directly with [redacted]

F

F F C

9. Abe called again on 2 September to state that [redacted] had calle[redacted]gain and claimed that three hostages had been released and "were on the way to the United States" from Tehran. When I protested that this did not make any sense, Abe said [redacted] was calling [redacted] to check the story. Abe then called back one more time to state that [redacted] "had talked to all the factions and they knew nothing about a hostage release. [redacted] was called [redacted] to check the story.

UNC[redacted]

UNCLASSIFIED [redacted]

J 595

10. He called once again on 2 September to inform me that the [redacted] was aware of the purported TOW transaction and the movement of these weapons in exchange for hostages. He said [redacted] had obtained this from [redacted]. He added that [redacted] claimed Rafsanjani was not personally knowledgeable of the transaction.

F
C

Charles E. Allen
National Intelligence Officer for Counterterrorism
Director, DCI/Hostage Location Task Force

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Chapter 14, Footnote 113

14-113

UNCLASSIFIED

9-5-86 a 2397

Abe = [redacted]

[illegible] for Greece.

-1255 [illegible] / [illegible]

- [illegible] [redacted]

- [illegible] 1982 we have been [illegible] connections / [illegible]

- We expect [illegible] days [illegible]

[redacted] [illegible] some info on location of hostages [illegible] [redacted]

① Iran/Iraq war -
• [illegible] "propaganda" [illegible]
[illegible] war - [illegible]
• [redacted] [illegible]

[illegible] [redacted]:
• [illegible] from Tehran

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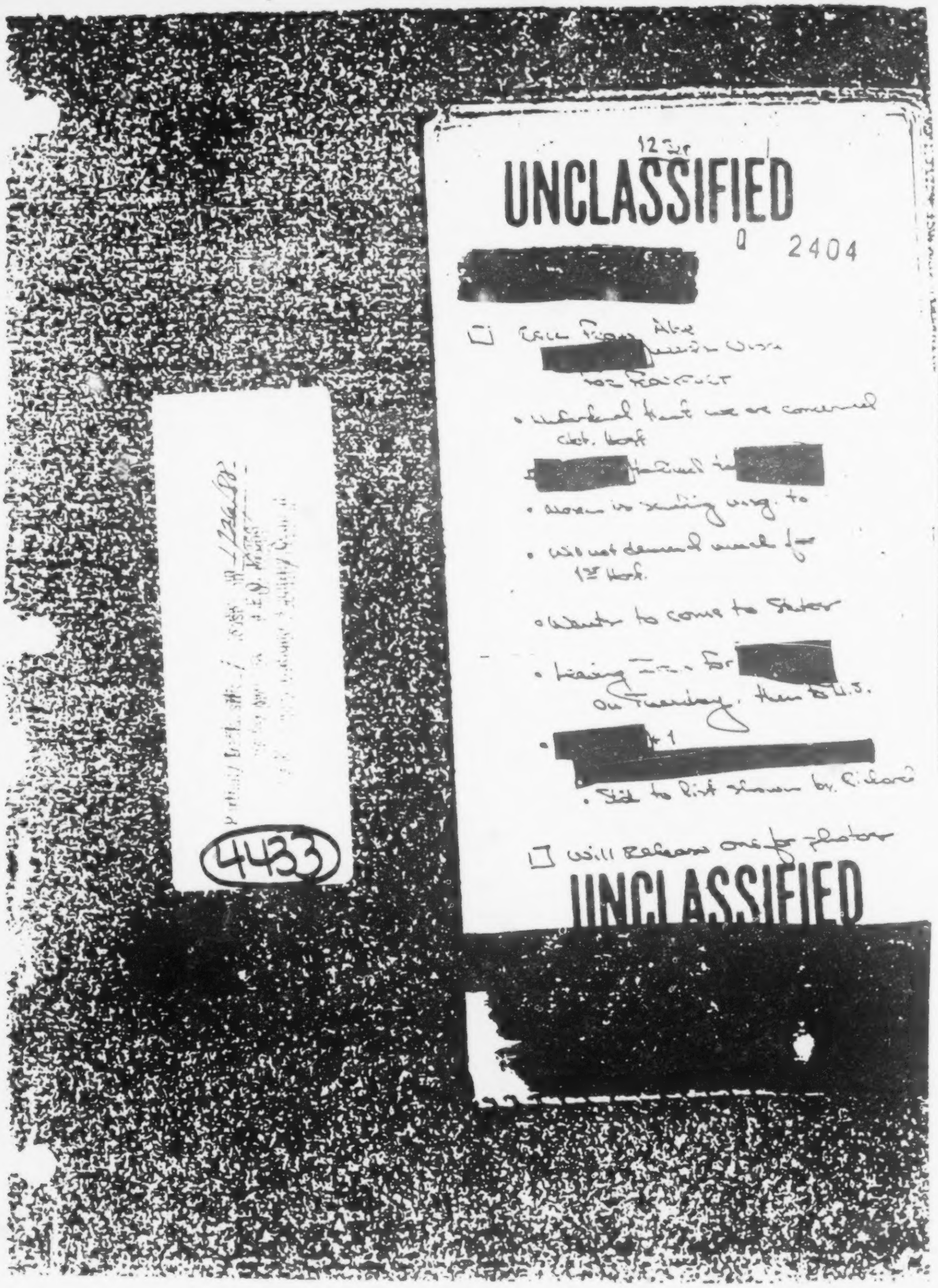
4432



12 [illegible]

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0 2404

[redacted]

☐ Call From Abe
[redacted] [illegible]
[illegible]

- Understand that we are concerned abt. that

[redacted] handed to [redacted]

- [illegible] is sending msg. to
- Will not demand much for 1st half.
- Wants to come to States
- Leaving [illegible] for [redacted] on Tuesday, then to U.S.
- [redacted] #1 [redacted]
- Stick to list shown by Richard

☐ Will Release one for photos

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4433

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15 Sep 87

Q 2407

12:55

[redacted]

1240 – Call from RUS/FBI

- [redacted] has new info on

[redacted]

- [redacted] to [illegible] in [illegible] not in captivity

[redacted]

- Taken to Frankfurt to [illegible]

[illegible] check on Bank Acct from Dubai.

1245 – [illegible]

[redacted]

- [redacted] wants contact w/ [illegible] –

- [redacted]

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15 Sep 86

Q 2408

Financial Arrangements:

- Merchant says that for $20m, he needs $24m to cover financial charge of 20%
- Merchant cannot convince

☐ Mtgs w/ Jump & NR

• Talked to P.M.

- Weapons will not be raised w/ RR
- ✱ { - Hostage issue:
  - South Lebanon:
- Peace Process where things are going

• Has been in touch w/ G. in Paris

- Were try to raise finances for simultaneous release

• Jump -

[redacted]

2 were direct hostages

- Might be sub-contract deal by Qaddafi:

• [redacted]

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by B. Reger, Nationa...

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Chapter 14, Footnote 114

UNCLASSIF [redacted]

Boyer.

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CC: NSFRC    --CPUA     RON SABLE              NSAGK    --CPUA     AL KEEL
     NUNN  POSITION
MSG FROM: NSOLN    --CPUA     TO: NSJMP    --CPUA
To: NSJMP    --CPUA                                       09/17/86 07:50:26
```

*** Reply to note of 09/10/86 13:15
NOTE FROM: OLIVER NORTH
Subject: Iran
Regarding [redacted] We are planning to bring him into the U.S. at the end of the week, via parole papers [redacted]

We (Cave, Clarridge, [redacted] North) decided to honor their request to keep this first meeting private (w/o Nir/Israelis) and to have it here so that they can confirm that they are indeed talking to the USG. We knew this when you and Nir met on Monday, but I had not yet had the chance to brief you. We will have a follow-up mtg with [redacted] in Europe and we will work Nir back into this op then. In the interim, Clair has put a hold on bringing [redacted] in because he does not know whether you have "approved the operation." Wd you pls call Casey and tell him to get on with moving the guy in so that we don't embarass the hell out of ourselves w/ Rafsanjani.
c Iran

N 18731

JMP 3a/58

688

[redacted]

14-114

[illegible] on 12 MAY 1987

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[redacted]

UNCLASSIFIED

Chap 14, ftnt 115 ~~#40~~

Date and time 09/17/86 12:59:11 9/17/8

From: NSOLN --CPUA
To: NSJMP --CPUA

J 6094
~~N 2892~~

*** Reply to note of 09/10/86 13:15
NOTE FROM: OLIVER NORTH
Subject: Iran _

Per your note on the surveillance package I called Casey and told him we need to get on with the parole paperwork in that you had already agreed - and had furthermore just endorsed the surveillance request. He acknowledged yr approval for the plan but said he was concerned about Shultz. He said he planned to tell Shultz in general terms that we were talking to another high level Iranian and that we would fill him in after the interview. I protested that experience showed that Shultz would then talk to [redacted] [redacted] and [redacted] could well be the source of the Jack Anderson stuff we have seen periodically. Casey Agreed to proceed with the INS parole paperwork for [redacted] and the visa for his escort but noted that he would still talk privately to Shultz about this. We are now underwaywith getting [redacted] aboard a chartered jet out [redacted] CIA could not produce an aircraft on such "short notice" so Dick has chartered the a/c thru one of Project Democracy's overseas companies. Why Dick can do something in Smin. that the CIA cannot do in two days is beyond me - but he does. How the hell he is ever going to pay for it is also a matter of concern, but Dick is a good soldier and never even groused about it. You may want to talk to Sec Shultz about [redacted] before Casey does. I will prepare a memo for you as soon as we talk to him.

14-115

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UNCLASSIFIED Chapter 14, Footnote 116

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

14-116

Copp: 9/17/86 1720

N 2923

172035Z Sep 86. For Goode....

1. [redacted] will want intell info and a scheme for future provision of same. In the past, Casey has wanted to establish comms in Tehran and this might be the vehicle. We should give [redacted] very good OB data in narrative form so that he can take it back and make an impact. The stuff we used for [redacted] will have changed. It is no big task for an analyst to prepare such a briefing. I know there is skepticism about this new connection, but we will fail if we do not use our senses and produce something of use. Next he will want some kind of secure voice device for use in telecoms back here to us in the next few weeks or months -- there are a number of these items available commercially and I would hope that CIA could supply same [redacted] for him to take back. [redacted] will want to talk about war material and its relation to a long-term connection from U.S. to Iran. My opinion is that he and his group are attaching more importance to a long-term relationship than to any short-term quick fix, such as a few thousand TOWs. He will, however, have a list of needed items and will no doubt suggest some kind of shipment to clear the hostage matter and to firmly establish direct USG to GOI transactions and to eliminate the Gorba[illegible]d [redacted] Thus, if I'm right, CIA must deliver the goods [illegible] good OB and come up with a [redacted] secure phone device.

Regards, Dick. BT

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N 110
121

14-119to127

See Hearing Exhibit OLN-201

See Hearing Exhibit OLN-302

14-129

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14-138

See Hearing Exhibit OLN-202

14-139

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1503

MEMORANDUM OF CONVERSATION

PARTICIPANTS: U.S.: Oliver North
Richard Secord
Sam O'Neill

Iranian: [redacted]

First session convened in the Old Executive Office Building at 12:15 p.m. on Friday, September 19, 1986. [redacted] opened the session, and after preliminary pleasantries, outlined four points which he wished to address initially. One, the Iranian position vs. what they perceive to be the U.S.'s number one enemy -- Russia. Second, their view of American and Iranian strategic interests in the area. Third, past relations of the United States with revolutionary Iran. Fourth, their views for future relations with the United States.

[redacted] then launched into a lengthy exposition with respect to the foregoing issues. He said that the Soviets are a great and aggressive power with a long border with Iran. They recognize that Russia is a direct enemy of the United States and that, with respect to Iranian interests, they do not wish to have antagonistic relations with the USSR, but on the other hand being a friend of the Soviets could be even more dangerous because Soviet ideology is directly opposed to Iran's. They also recognize that their brothers in Afghanistan are suffering under the Soviets. Finally, the Soviets are directly supporting the Iraqis in the war against the Iranians and killing Iranian soldiers. Back to the question of the long border with Russia [redacted] noted Secord statement in Brussels to the effect that the United States would oppose a Soviet thrust into Iran with or without support of the Government of Iran. The Government of Iran found this statement to be interesting and comforting. The leaders of Iran are very worried today about the "fantastic" increase of Soviet intelligence operations in Iran in recent times. [redacted] The Soviets are attempting to exploit Iranian internal problems. He went on to acknowledge that the revolutionary environment in Iran has many weaknesses. Their security services are weak for instance. [redacted] next turned to relations between the Government of Iran and the United States Government. He says that some cooperation is necessary in their view. [redacted]

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[illegible]

[redacted] Next, Iran needs U.S. influence with the Arab countries friendly to the United States in order to help diminish support for Iraq. Third is the matter of oil, which is vital to Iranian economy. They need U.S. support in this matter. Fourth and most important, he said, is the security of the Gulf and terrorism against U.S. interests and hostages.

[redacted] said he wanted to make these things clear and one of the Iranian leaders in particular has asked that he make this message very clear. [redacted]

On the subject of security, [redacted] said this has two aspects. One is the fear of the flood of terrorism in the region and the second is the overall effects of the current war. With respect to terrorists and hostages, he said that the Shiite religion under the Aytollah is absolutely opposed to terrorism and the taking of hostages. For instance, after the explosions in Lebanon, the Aytollah wrote a "Fatwa," which is a religious ruling absolutely opposing terrorism and the taking of hostages. But, we the United States have to understand that Iran still does not have strong, effective security forces and firm control. [redacted] admits that there are people within Iran who do espouse hostage taking and terrorism. [redacted]

[redacted] The Government of Iran needs more information in order to confront them and they would like to have this from the United States. [redacted] emphasized that from the standpoint of humanity, Iran is against hostage taking and terrorism and even has a certain amount of sympathy for the U.S. at the current time. In the case of Lebanon, Iran considers that they have in the past been helpful to the U.S. In the TWA hijacking, in getting information on the hostages and in the release of two hostages, Iran has already helped. [redacted] said that the Iranians have attraction in places like Lebanon because of the "right-minded masses of peoples' sympathy" for the Iranian revolution. But he said that both Iran and the United States are victims of this hostage business. He next turned to the Iran-Iraq war. Iran, he said, needs a "victory" and that he will explain what he means by victory. Lack of security in Iran is a real problem for the United States. Secord's comments in Brussels were well received and his analysis of the war was keenly received by the leadership in Iran. [redacted]

With respect to United States and Iran, [redacted] provided a quick analysis. Until two years ago, it was difficult for anyone in Iran to consider any kind of United States Government/Iranian relations. There were several probes in the past two years and he wanted to know if they were real. [redacted] And finally, what [redacted] regarded as the worst channel, they've also received numerous probes and letters from an unnamed arms dealer in Europe. Some in Iran believed in these probes from the arms dealers, but "I personally," [redacted] said, "did not believe in them." [redacted] claimed to have been working on this opening of relations

with the U.S. for two years now and that the real problem is the lack of communications. "One and a half years ago, an arms dealer came, allegedly with word from [redacted] about exchanging two hostages for arms. We don't trust this arms dealer. After the discussions with Secord and Hakim in Brussels, the leadership has come up with the idea of forming a 'joint committee' that would sit down and resolve the problems step-by-step and that we have a great opportunity to do this now."

[redacted] went on to emphasize the critical importance of this direct meeting here in Washington. "A stage-by-stage plan is needed with which both sides can agree and we need to get on with it quickly while the opportunity is still here."

North responded. "Happy you are here and hope that there is now no doubt that you are talking directly with the Government of the United States directly."

"We understand your problems with respect to channels of communications. We have had the same problem. In all honesty, we are still not in a position to have very good relations, but we are certainly interested in a step-by-step approach to the problem. We have received assurances from General Secord about the genuineness of this particular channel to Iran and, therefore, the President has authorized this meeting. I understand your sensitivity on this, because it is important to have good communications in order to proceed. [redacted] We recognize that your connection with the arms dealer, Ghorbanifar, was not acceptable and is not acceptable to us either. However, he did bring us into contact with an official of the Government of Iran [redacted]. This was our first meeting with a Government of Iran official in over six years. As you know now after meetings in Germany with [redacted] we arranged for a delegation to go to Tehran. The President chose a most trusted adviser to lead this mission -- Robert McFarlane. The reason why we went to Tehran was to try to establish the channel of which you now speak. Unfortunately, we met with only a few officials most of whom used false names. We met with none of the people that we expected to meet with and the meeting was a great disappointment to our President."

[redacted] interjected that it is important for him to know the names of the people. In the discussion insued as to what the people looked

like and what assumed names they used. North continued. "You should understand that this meeting in Tehran was a great disappointment to us. It has been difficult since then to convince the leadership here of the need to try to continue in the face of that failure. While we were there, we even prepared a draft Memorandum of Understanding to establish this channel. We understood the need for secrecy and I can show you this draft here now, if you wish to read it.:

"There are a number of things which you should understand about why we have pursued this attempt to be in contact with your government. President Reagan is a very strong and popular President. He has helped the United States to recover from a period of economic and military weakness. He has restored economic and military strength to the U.S. Most important, he has restored the will of American people. The U.S. is no longer afraid to use its power in its own defense, and it is not intimidated by the Soviets. Yesterday, we expelled 25 Soviets from the United Nations. We will not give in to Soviet pressure in Afghanistan, Angola, or Central America. The United States wants relations on the basis of reciprocity with all states and, of course, this includes Iran. We want to solve our disputes through discussions not through fighting. The United States believes that many trends are working in its favor -- economy, technology, politics, all working in favor of the United States. Reagan has two more years and has a strong moral position in the eyes of the United States and of the world. The President strongly believes in the words of the Holy Book as do you. He believes deeply in the teachings of the God of Abraham. Thus, he is very popular here and should be popular in the world of Islam. When we went to Tehran, he said to tell you that we accept your revolution as a fact. We admit that there have been missteps along the road since the revolution, but it is important to tell you that there is a responsible and sincere wish in the leadership here to establish communications/relations with Iran. Therefore, we must speak frankly in order to facilitate this. Our policy is based, not on emotion, but on perceptions built-up over the years. There are many things that you have said which we can agree to, but there is a perception that Iran has used revolutionary Islam against the United States. For example, it is clear that some in the Government of Iran have encouraged the taking of U.S. hostages as a means of getting back convicted prisoners held by the Kuwaitis and that there has been a direct connection between the Da'wa, Hizballah, and elements inside the Government of Iran. Therefore, since we're a democracy, as long as this perception exists, we have a great obstacle in the way of doing what the President wants and what you say Iran wants. Also, we see anti-U.S. activity emanting from Iran in Central America."

[redacted] questioned the basis for this information. North responded. "This is all based on accurate intelligence. For example, in Nicaragua, Iran actively supports the communist government there and Iran plans to ship 10,000 rifles and other munitions to Nicaragua through North Korea. These activities serve Soviet interests and in the long-term jeopardize Iran and the United States. In spite of this, the President has directed us to proceed with attempt to establish discrete and, when appropriate, a public relationship with Iran. The President's direction is based on two important principals: One, concern over the Soviets vis-a-vis Iran and two, our desire to ensure the territorial integrity of Iran and the other Gulf States. We accept the revolution as a fact. The territorial integrity of Iran and the other states in the region are of great importance to the United States. [redacted] The United States does not wish to see Iran lose. We do not want to see an attempt against Iraq which will bring in the Soviets. The Soviets, on the other hand, are in a difficult position. Their economy is a disaster; they've suffered major reverses, for instance, Chernobol; Soviet defectors are showing up all over the world; Soviet ships run into each other in the Black Sea; Soviet submarine-launched missiles accidentally land in China. Last week, six Soviets were killed in Peru. They see the Iran-Iraq war and Afghanistan as very important to them, but neither of these wars are going well for them. They have two things, however, that are advantageous to them. One is great military power, capable of intimidating their neighbors; and two is a very, very effective KGB. We believe that they are capable of using these two instruments of power. Therefore, we understand that Iran can be not their enemy, nor their friend. We have common interests. Iran's continuation as a sovereign state is something that we desire. We have no interest in an Iraqi victory. You might remember that we had no relations with Iraq during the years of the Shah or even during the revolutionary period right after the Shah. We're willing to serve in some role which would end the conflict honorably for Iran. [redacted]

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[redacted] The U.S. has no illusions, however, about future Iranian relations. The right way is to proceed carefully and quitely. For example, Soviet anxiety could be quickly raised if they knew that we were trying to reestablish relations. We have shared interests for the long-term. We are prepared to improve on the situation that exists now and to do it in a step-by-step way. However, it's really up to Iran, we are ready."

[redacted] responded. "Regarding the need for Iran to achieve victory, it is not necessary that we achieve a big decisive military victory, but some kind of victory. Only in the last two years, has our approach with the United States been seen as possible, but it is most important to note that the important thing from Iranian perspective is to get Saddam Hussein out. This can be done by the Arabs. We have no territorial designs on Iraq. We have in fact given orders that no Iranian troops on Iraqi territory will display our flag. Iran wants a government in Baghdad that they can live with. The United States can help with the friendly Arabs."

North responded. [redacted] In regard to the points [redacted] made: "We were working with Ghorbanifar to make contact, but the letters provided by him to Iran describing our willingness to do certain things were not authorized. Only the document which we produced in Tehran, of which I have provided you a copy, was authorized. [redacted] I want to tell you that unless one of the three men sitting here in the room right now (North, Secord, Sam O'Neill) contact you, there is no official message. With respect to the document we prepared in Tehran, you will note a considerable emphasis on hostages. We consider them to be an obstacle. An obstacle to the understanding of the American people. The widespread perception here in America is that Iran is basically responsible for these hostages. The issue of hostages and terrorism must be dealt with since it is a political obstacle. On the other hand, you should realize that 52,000 people in the U.S. died last year in automobile accidents and 130,000 people died from lung cancer. Five U.S. hostages rarely make the newspapers or the television, but because this is a democracy, if the President is found to be helping Iran with this obstacle still in the way, it would be very difficult to explain to our people."

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"From the first, with [redacted] and Ghorbanifar, we have said let's get this issue -- the hostages -- behind us. We recognized that this would be undertaken as a humanitarian gesture on the part of the Iranian Government. [redacted] and to demonstrate our sincerity, at one point, we directed the delivery of 500 TOW missiles and eight hours later they were delivered into Bandar Abbas. But instead of responding favorably, 'rug merchant' type moves resulted, prices were talked about, prices were established for human lives. For instance, 'so many items for so many hostages.' We don't consider this to be a responsible government action and not one that the United States is prepared to engage in."

"We are prepared to continue to provide to Iran items which will help in her defense; but we wish to see the hostage issue behind us so that we can move onward. We have certain items of equipment already prepared for shipment. But you must understand, we cannot give them away. They have to be purchased."

[redacted] interjected with humor saying "haven't they already been paid?"

North responded saying that the TOWs and certain improved HAWK spares had been delivered and paid for, but the intermediary, Ghorbanifar, was complaining that the had not been fully paid.

[redacted] interjected with a political point. He said he agreed that the obstacle had to be removed, but we have to make it much more official and deal directly. Our government thinks that dealing through someone like Secord is a better way to go because they trust him. They don't expect factory prices, but they don't want the same situation to exist that exists today.

North responded saying that "Ghorbanifar always claims to be borrowing and then getting paid in part and rolling debts forward and raising costs and it is very, very confusing and its impossible for us to follow exactly what it is that he is doing. However, Ghorbanifar knows a great deal and he could be harmful to us if he were to go public and this is the problem which we wish to address. We think that Iran should pay him whatever they owe him so he will be quiet and stay off the air."

[redacted] responded that he has gotten all his money but he will look into it.

North said that we would be happy never to deal with Ghorbanifar again but, if he is to keep quiet, his debt should be paid. "We risk a great deal if we are compromised this early in the game. To be honest, I would just as soon not deal with [redacted] either, but this is an Iranian matter."

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[redacted] continued. "It's good that you established your initial contact with [redacted] This was important to the people in Tehran although it was not successful, and the proper people were never made aware and poor coordination was done and the meeting was not planned properly and it was, thus, very premature. Still it was important that we did establish initially at least contact with [redacted] because this was a pioneering move and [redacted] would not be in Washington now were it not for this initial opening."

North responded. "We are confident that you represent the Government of Iran and to his credit, as I said, [redacted] did have the first meeting with us in six years. This meeting that we're having now should do much to instill confidence in our two capitals and, if we can proceed, it will be very good. [redacted] Earlier you mentioned concern for security and concern over terrorism in our airlines and this we appreciate. The Government of Iran announcement that the Pan Am aircraft hijacked in Karachi could not come to Iran was much appreciated. As a further demonstration of our sincerity, we will arrange that next week on Voice of America the United States Government will thank those countries who were involved in helping in the Karachi hijacking and, for the first time, we will mention Iran as having acted in a positive way. It will be done very discretely in a editorial on VOA. Obviously, we cannot have the President go out announce an Embassy is being opened in Tehran. You would have a domestic, political problem and so would we. Thus, back to our obstacle: Truly we wish to get it behind us. We recognize that Tehran does not exercise absolute control over Hizballah, Amal, or Islamic Jihad; but we also know that you can help resolve this issue."

[redacted] responded that the issue "would be resolved." The question of who [redacted] is and what his background is was then raised by North and [redacted] responded that he was a trusted agent of Iran; he had been a loyal officer and now was a businessman and that they had complete confidence in him. North responded we know very little bit about this man and we are obviously concerned for security; we are concerned with the KGB penetrations and so on.

[redacted] responded that he too was concerned over this sort of thing. He also said that with respect to Mr. Hakim, whom he personally liked and wanted to see involved, some in Tehran regard him as a CIA agent. North responded that Hakim was never a spy for the United States; that he has been a consultant to our government on Iranian affairs from time to time; that he had full trust and confidence as a man who wanted to see improvement for the Iranian people and improvement in relations between our two countries.

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Because of the requirement for secret communications, he has acted on our behalf and we have investigated him as we investigate everyone. This is important to him because of his interest in the country of his birth and the country of his citizenship. We will include both he and [redacted] in whatever sessions that you wish to have them involved in -- you simply have to tell us.

[redacted] turned back to [redacted]. He said that he is certain that [redacted] has not been profiteering, but instead has been working sincerely but, he [redacted] is a simple man and he could not continue on with this complex relationship.

North said we tend to believe this. "Sam, here, has often talked with [redacted] and there is always inconsistency between what he says and what Gorba claims."

[redacted]

North said that we are concerned that the Soviets not become aware of any U.S. Government or Iranian Government relationship. "In Tehran, we recommended that we set-up a secure communication station and this would require us to send two of our men to Tehran to man and operate the station. This would give us good secure communications and would thwart the KGB. We are very concerned about KGB efforts to penetrate any relationship we might establish with the Government of Iran. The Iranian idea for a joint committee elsewhere seems to be a good idea, in principle. Meeting somewhere in Europe is probably the way in which we should proceed to manage this beginning relationship. The problem is that we have to set up some place where it won't be penetrated by the KGB. We are very concerned about communications and the Soviets' ability to intercept."

[redacted] responded that he agreed about the KGB and would like to use a single courier from Iran to Frankfurt via Iran Air from now on until secure communications could be established.

North asked [redacted] if he wants [redacted] on this joint committee?

[redacted] said, "Yes, but only for logisitical purposes. I want to give more thought to [redacted] and how he can work with Hakim." With respect to Ghorbanifar, [redacted] said they want to get him out of the loop as soon as they can. He's been profiteering and people in Iran fear that they will be accused of being profiteers.

North responded that Ghorbanifar has some strong Tehran connections that we know of and this remains a problem that needs to be solved. [redacted] said that our recent contacts with [redacted] have

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been very well handled [redacted] With respect to the hostage issue, he wants to get it resolved as quickly as possible and he is confident that they can resolve it. He said that Iran wants to make this a full exchange. For instance, "we have in mind to give you fellows T-72 tank, for example."

North again expressed concern about security and about Ghorbanifar, in particular. North also stated that we believe that the oil market is naturally depressed and there is certainly no collusion between ourselves and the Saudis or others to keep prices low, but he agreed that the U.S. and Iran have similar interests with respect to oil.

[redacted] returned then to the subject of Buckley. [redacted] He said that he wanted to assure us that Buckley was not killed; that he died of natural causes; that he had three heart attacks. He also assured that he had been told that the others are all in good shape. He said that there are video tapes of them recently, talking for 20 minutes each and that these will be distributed to news agencies. [redacted] also said that there was one letter sent out.

North confirmed that one of the hostage relatives received a letter within a day or so of it being written. North then said that we want all the hostages out [redacted]

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At 1800 hours, the first session ended with a short break and then Albert Hakim and [redacted] joined the group. After being joined by the others, [redacted] then said that he was growing tired and asked General Secord to read off the list of Iranian needs which were headed up first by intelligence exchange. [redacted]

North reviewed the list of logistics support items being requested and responded that, in principle, to the extent that items are available either here or elsewhere there isn't a particular problem. "But as we emphasized to [redacted] in Tehran, we think that you might be thinking too small. People preparing lists are only thinking of the very short-term. We, the U.S., look at two million Iranians without homes; half the oil production facilities knocked out; yesterday's attack on Kharg Island, for instance, is a good example; medical supplies being in great shortage, even shortages of food; and so on. We think that the Iranian planners should be talking to us about other than simple weapons requests. [redacted] The United States is interested in helping stop the killing and to provide for an adequate defense. We cannot just do these things willy-nilly. For example: 10,000 175mm RAP rounds is not a

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whose office?

reasonabl [redacted] ber of items and it would
take a lo that we have that many in
inventory. to go $5M worth of HAWK
spare part , you need technical
assistance s who are adequately
trained, a re useless and just
exacerbate hy the President agreed
to the TOW e been shipped so far, is
because th Iraq and the Soviets as
well. Aga l. For example, we have
offered to rough Albert Hakim's
organizati uppliers could be more
valuable p than all the artillery ammunition we could
send."

"The authorities recognize the need for technical assistance. This was pointed out by General Secord in the Brussels' discussions and we should understand that they really inherited nothing from the Shah in the way of an army. The army was disorganized and very disarrayed. The lower echelon officers, as well as the higher echelon officers, were worth very little. They picked the first steps in this war with the army of the people, the revolutionary guards." He recalled earlier that in a meeting with [redacted] some of the military officers said that they had to have one tank for every Iraqi tank, one plane for every Iraqi plane. "This was not practical and, therefore, over time it was decided that the Iranian revolutionary guard, the army of the people, would be used to repell the enemy. Since then, of course, it has become more technological in nature and there are minimum levels of technological assistance and equipment we badly need and the United States can be very helpful in providing these. Therefore, they are looking forward to trying to establish a decent relationship on a secret basis at first."

At 2015, it was agreed to stop for the day and reconvene on Saturday, September 20, for further discussions.

The session continued on September 20, at 0935 hours in an office near the Sheraton Tysons' Hotel, where [redacted] was staying. Present for the U.S. side were Oliver North, Sam O'Neill, and R. Secord. Only [redacted] represented the Iranian side during these initial discussions.

North opened the session by saying that he would like to make some comments about the logistics support items on the list [redacted] had provided the day before. "We would like the leadership of Iran to know that President Reagan is aware that the Iranians have immediate needs; that, while we are sympathetic, we're not just interested in being simply an arms dealer; that we are

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interested in helping the immediate defensive needs in such a way that Iran does not lose the war. We also want to help you with some immediate domestic requirements and we want to help you end the war honorably. The President is willing to play whatever role necessary to help end the war in an honorable fashion."

[redacted] said that perhaps we need a secret exchange of letters between our leaders and he will address this upon return to Tehran. [redacted] stated that after we establish a basis for a relationship, all problems can be addressed. He said that he is completely in agreement with the point about not relying on the arms dealers or other non-official entities. On immediate needs, he could right now order the money to be paid for any of the items that might be available. He said that he could even get the money by telephone.

North said that we believe that this has to done in absolute secrecy.

[redacted] interrupted describing the difficulty of conducting discussions in Tehran. For example, there are three different groups that usually have to be consulted. Also in preparing for the coming offensive, they have shortages in some of the equipments and these are the ones that are mentioned in his list [redacted] With respect to finances since we don't have a formal relationship, we have to do these transactions in a very secret fashion and since our laws are very specific, we have to have payment before delivery of any hardware.

At this point, [redacted] requested that the entire group meet and [redacted] and Albert Hakim joined the meeting.

North then stated again that we are trying to get past the issue of the hostages and, in the past, to show our good faith, we have moved certain items to Iran. We are also trying to do things with secrecy. We understand that with normal relations it's going to take time.

Secrecy takes longer and it costs more. With Ghorbanifar and [redacted] we have had a lengthy debate about prices for HAWK spare parts, with [redacted] claiming that we have charged six

times more than the microfische prices which he has discovered somewhere. "This has caused great of difficulty for us. [redacted] has misinterpretated the microfische. We've traced it back to its origins; it's not relevant. But communicating adequately has been next to impossible." Then North gave a short description of how U.S. military equipment is priced; manufacturers' prices; prices to our own forces; prices to allies; and the impact on overall price for the different modes of transfer. North closed by noting that the President has authorized the transfer of a number of TOWs and some HAWK missile parts in connection with this relationship. "In order to maintain secrecy, we have to sanitize the equipment; that is to remove all the original identifying markings and then we have to ship these items through a circuitous route and Israel, as you know, has been involved in this in the past. Thus, not only the time but also the price goes up when using such a complex method to procure and deliver such items." If it is helpful in getting past this obstacle of the hostages, we are prepared to go forward as requested by [redacted] if your leadership is ready. We are prepared to go forward with those items which are already prepared for shipment, i.e., additional HAWK missile spares and TOWs and with prices that are well understood in advance."

A discussion of the pricing then ensued and the price list was given to [redacted] which he said he understood and so did [redacted]. North then noted that we needed to get rid of the hostage issue as soon as possible so that we could proceed on and establish a relationship which we both recognized as necessary and in the interest of both countries. "We recognize that the influence of Iran is indirect in many cases with the groups in Lebanon and we understand it is a difficult issue. We have offered in the past to give Iran credit as a humanitarian gesture if Iran wants this credit. It's an important point and we have to get past it. I want to tell you that with respect to the issue of the Da'wa prisoners held in Kuwait, we cannot go back to the Government of Kuwait on this issue. But I believe that the Government of Kuwait is prepared to release prisoners in a phased way if the Government of Iran goes privately to Kuwait and promises them no terrorism. This seems reasonable -- you should do it. I've been told to reassure the Government of Iran, moreover, that the U.S. citizen, John Pattis, has never been an employee of the United States Government. We did talk to him quite openly, as we talk to many travellers, but he is not a spy and he's not employee of the CIA and he's never employeed by the Government of the United States."

A short break was then taken and the meeting reconvened without [redacted] and without Hakim at 1525 hours.

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North pointed out that in regard to [redacted] list of equipment, "most of these items would have to come by ship because they are very big and heavy and only a few could come by aircraft." We need to exchange intelligence by courier. [redacted] We need some time to work this up, but we can do it and would be willing to do it if we can come to some understanding with the Government of Iran. [redacted] And, two, the Soviet propaganda organs would publicize our activities and cause great difficulties for both sides. We understand that you're prepared to go ahead and make transfers of money immediately in order to start shipment; but the U.S. is much more interested in doing it right than in doing it too fast."

[redacted] then stated that trying to get close to Western governments has created certain problems for his group in Tehran. [redacted]

North then stated that we have differences, great differences here. "The situations are not the same. Our President is not running for re-election, as you know. There are two years left in his term and he is sincerely interested in changing the course of history with the U.S.-Iranian relations. He has close advisors and aides, who have seen much of war, and they want to see the war out there ended. There is no effect whatever on American elections, and these hostage issues, as you can see, seldom even make the newspapers. Ronald Reagan would like to end this Iran-Iraq war and you might remember that we talked last night about the United States had a long history of acting as a peacemaker. The United States always has great concern for the suffering of people and we know of the impact of this war overall on Iran."

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[redacted] Iran also wants an honorable peace. In return, he expects that Iran will designate three very senior people to go to joint committee meetings. "We could have this joint committee meetings, if you want, by sending a letter to us, [redacted] We could also always meet under the cover of a UN meeting. I guarantee you one thing though that I will look into this matter of help to Nicaragua immediately; and, if there is such a thing going on, I will stop it immediately. Again I say I will only use a courier until we can establish secure communications -- until we can set-up these committee meetings." After the meeting, he wanted Secord to be available to talk to him some more. He states further that he will be giving a weekly report on the conditions of the hostages and is now certain that he can bring enough pressure to bear to get them released. He will give us at least two days warning before they're released. He hoped that the U.S. can play a predominant role in achieving a peace in Lebanon. "Iran agrees completely with respect to an honorable peace with Iraq; however, Sadam Hussein must go from the Iranian point of view." He knows that it is not our policy, but he knows that we can bring our influence to bear with certain friendly Arab nations and it is "within the power of the Arab nations to get rid of Sadam Hussein."

[redacted]

At this point, at 1730 hours, we agreed to summarize the two days of meetings. [redacted] stated that he wanted to:

"A. Take steps to form a small staff in Tehran for this project.

B. Make instructions for the transfers of monies after lists are checked and agreed to.

C. Inform his leadership about the Voice of America.

D. Clear the way for the release and form a game plan for the hostages.

E. As soon as possible, have a joint committee meeting which he, [redacted] would attend. And, hopefully within a week or ten days, this could be arranged."

North interjected that he agreed with this summary, but that added the point about the Da'wa hostages and Kuwait and Kuwait's desire for a guarantee against terrorism. [redacted] took note of this

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as well. [redacted] closed the session by stating his great appreciation for the hospitality which had been showed by him and North and by all concerned. And, then agreed to establish a brief, very, very brief, ops code for use on the telephone -- simply for the purpose of establishing a place and time of meeting for the joint committee meeting. The meeting ended at 1800 hour.

Comment: During several asides with [redacted], Sam's perception of [redacted] estimate of the two days of discussions is that while [redacted] and we both thought considerable progress was made, [redacted] wanted to discuss the results of the meetings in Washington with responsible officials in Tehran before recommending specific actions and steps be taken. Specific proposals will come at the next meeting with [redacted] and, being Iranian, they will probably be gaged to further tests and assess our sincerity,

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by B. Reger, National Security Council

1505

MEMORANDUM OF CONVERSATION

PARTICIPANTS: U.S.: Oliver North
Richard Secord
Sam O'Neill

Iranian: [redacted]

First session convened in the Old Executive Office Building at 12:15 p.m. on Friday, September 19, 1986. [redacted] opened the session, and after preliminary pleasantries, outlined four points which he wished to address initially. One, the Iranian position vs. what they perceive to be the U.S.'s number one enemy -- Russia. Second, their view of American and Iranian strategic interests in the area. Third, past relations of the United States with revolutionary Iran. Fourth, their views for future relations with the United States.

[redacted] then launched into a lengthy exposition with respect to the foregoing issues. He said that the Soviets are a great and aggressive power with a long border with Iran. They recognize that Russia is a direct enemy of the United States and that, with respect to Iranian interests, they do not wish to have antagonistic relations with the USSR, but on the other hand being a friend of the Soviets could be even more dangerous because Soviet ideology is directly opposed to Iran's. They also recognize that their brothers in Afghanistan are suffering under the Soviets. Finally, the Soviets are directly supporting the Iraqis in the war against the Iranians and killing Iranian soldiers. Back to the question of the long border with Russia, [redacted] noted Secord statement in Brussels to the effect that the United States would oppose a Soviet thrust into Iran with or without support of the Government of Iran. The Government of Iran found this statement to be interesting and comforting. The leaders of Iran are very worried today about the "fantastic" increase of Soviet intelligence operations in Iran in recent times. [redacted] The Soviets are attempting to exploit Iranian internal problems. He went on to acknowledge that the revolutionary environment in Iran has many weaknesses. Their security services are weak for instance. [redacted]

[redacted] next turned to relations between the Government of Iran and the United States Government. He says that some cooperation is necessary in their view. [redacted]

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[redacted] Next, Iran needs U.S. influence with the Arab countries friendly to the United States in order to help diminish support for Iraq. Third is the matter of oil, which is vital to Iranian economy. They need U.S. support in this matter. Fourth and most important, he said, is the security of the Gulf and terrorism against U.S. interests and hostages.

[redacted] said he wanted to make these things clear and one of the Iranian leaders in particular has asked that he make this message very clear. [redacted]

On the subject of security, [redacted] said this has two aspects. One is the fear of the flood of terrorism in the region and the second is the overall effects of the current war. With respect to terrorists and hostages, he said that the Shiite religion under the Aytollah is absolutely opposed to terrorism and the taking of hostages. For instance, after the explosions in Lebanon, the Aytollah wrote a "Fatwa," which is a religious ruling absolutely opposing terrorism and the taking of hostages. But, we the United States have to understand that Iran still does not have strong, effective security forces and firm control. [redacted] admits that there are people within Iran who do espouse hostage taking and terrorism. [redacted]

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[redacted] The Government of Iran needs more information in order to confront them and they would like to have this from the United States. [redacted] emphasized that from the standpoint of humanity, Iran is against hostage taking and terrorism and even has a certain amount of sympathy for the U.S. at the current time. In the case of Lebanon, Iran considers that they have in the past been helpful to the U.S. In the TWA hijacking, in getting information on the hostages and in the release of two hostages, Iran has already helped. [redacted] said that the Iranians have attraction in places like Lebanon because of the "right-minded masses of peoples' sympathy" for the Iranian revolution. But he said that both Iran and the United States are victims of this hostage business. He next turned to the Iran-Iraq war. Iran, he said, needs a "victory" and that he will explain what he means by victory. Lack of security in Iran is a real problem for the United States. Secord's comments in Brussels were well received and his analysis of the war was keenly received by the leadership in Iran. [redacted]

With respect to United States and Iran, [redacted] provided a quick analysis. Until two years ago, it was difficult for anyone in Iran to consider any kind of United States Government/Iranian relations. There were several probes in the past two years and he wanted to know if they were real. [redacted] And finally, what [redacted] regarded as the worst channel, they've also received numerous probes and letters from an unnamed arms dealer in Europe. Some in Iran believed in these probes from the arms dealers, but "I personally," [redacted] said, "did not believe in them." [redacted] claimed to have been working on this opening of relations

with the U.S. for two years now and that the real problem is the lack of communications. "One and a half years ago, an arms dealer came, allegedly with word from [redacted] about exchanging two hostages for arms. We don't trust this arms dealer. After the discussions with Secord and Hakim in Brussels, the leadership has come up with the idea of forming a 'joint committee' that would sit down and resolve the problems step-by-step and that we have a great opportunity to do this now."

[redacted] went on to emphasize the critical importance of this direct meeting here in Washington. "A stage-by-stage plan is needed with which both sides can agree and we need to get on with it quickly while the opportunity is still here."

North responded. "Happy you are here and hope that there is now no doubt that you are talking directly with the Government of the United States directly."

"We understand your problems with respect to channels of communications. We have had the same problem. In all honesty, we are still not in a position to have very good relations, but we are certainly interested in a step-by-step approach to the problem. We have received assurances from General Secord about the genuineness of this particular channel to Iran and, therefore, the President has authorized this meeting. I understand your sensitivity on this, because it is important to have good communications in order to proceed. [redacted] We recognize that your connection with the arms dealer, Ghorbanifar, was not acceptable and is not acceptable to us either. However, he did bring us into contact with an official of the Government of Iran [redacted] This was our first meeting with a Government of Iran official in over six years. As you know now after meetings in Germany with [redacted] we arranged for a delegation to go to Tehran. The President chose a most trusted adviser to lead this mission -- Robert McFarlane. The reason why we went to Tehran was to try to establish the channel of which you now speak. Unfortunately, we met with only a few officials most of whom used false names. We met with none of the people that we expected to meet with and the meeting was a great disappointment to our President."

[redacted] interjected that it is important for him to know the names of the people. In the discussion insued as to what the people looked

like and what assumed names they used. North continued. "You should understand that this meeting in Tehran was a great disappointment to us. It has been difficult since then to convince the leadership here of the need to try to continue in the face of that failure. While we were there, we even prepared a draft Memorandum of Understanding to establish this channel. We understood the need for secrecy and I can show you this draft here now, if you wish to read it.:

"There are a number of things which you should understand about why we have pursued this attempt to be in contact with your government. President Reagan is a very strong and popular President. He has helped the United States to recover from a period of economic and military weakness. He has restored economic and military strength to the U.S. Most important, he has restored the will of American people. The U.S. is no longer afraid to use its power in its own defense, and it is not intimidated by the Soviets. Yesterday, we expelled 25 Soviets from the United Nations. We will not give in to Soviet pressure in Afghanistan, Angola, or Central America. The United States wants relations on the basis of reciprocity with all states and, of course, this includes Iran. We want to solve our disputes through discussions not through fighting. The United States believes that many trends are working in its favor -- economy, technology, politics, all working in favor of the United States. Reagan has two more years and has a strong moral position in the eyes of the United States and of the world. The President strongly believes in the words of the Holy Book as do you. He believes deeply in the teachings of the God of Abraham. Thus, he is very popular here and should be popular in the world of Islam. When we went to Tehran, he said to tell you that we accept your revolution as a fact. We admit that there have been missteps along the road since the revolution, but it is important to tell you that there is a responsible and sincere wish in the leadership here to establish communications/relations with Iran. Therefore, we must speak frankly in order to facilitate this. Our policy is based, not on emotion, but on perceptions built-up over the years. There are many things that you have said which we can agree to, but there is a perception that Iran has used revolutionary Islam against the United States. For example, it is clear that some in the Government of Iran have encouraged the taking of U.S. hostages as a means of getting back convicted prisoners held by the Kuwaitis and that there has been a direct connection between the Da'wa, Hizballah, and elements inside the Government of Iran. Therefore, since we're a democracy, as long as this perception exists, we have a great obstacle in the way of doing what the President wants and what you say Iran wants. Also, we see anti-U.S. activity emanting from Iran in Central America."

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[redacted] questioned the basis for this information. North responded. "This is all based on accurate intelligence. For example, in Nicaragua, Iran actively supports the communist government there and Iran plans to ship 10,000 rifles and other munitions to Nicaragua through North Korea. These activities serve Soviet interests and in the long-term jeopardize Iran and the United States. In spite of this, the President has directed us to proceed with attempt to establish discrete and, when appropriate, a public relationship with Iran. The President's direction is based on two important principals: One, concern over the Soviets vis-a-vis Iran and; two, our desire to ensure the territorial integrity of Iran and the other Gulf States. We accept the revolution as a fact. The territorial integrity of Iran and the other states in the region are of great importance to the United States. [redacted] The United States does not wish to see Iran lose. We do not want to see an attempt against Iraq which will bring in the Soviets. The Soviets, on the other hand, are in a difficult position. Their economy is a disaster; they've suffered major reverses, for instance, Chernobol; Soviet defectors are showing up all over the world; Soviet ships run into each other in the Black Sea; Soviet submarine-launched missiles accidentally land in China. Last week, six Soviets were killed in Peru. They see the Iran-Iraq war and Afghanistan as very important to them, but neither of these wars are going well for them. They have two things, however, that are advantageous to them. One is great military power, capable of intimidating their neighbors; and two is a very, very effective KGB. We believe that they are capable of using these two instruments of power. Therefore, we understand that Iran can be not their enemy, nor their friend. We have common interests. Iran's continuation as a sovereign state is something that we desire. We have no interest in an Iraqi victory. You might remember that we had no relations with Iraq during the years of the Shah or even during the revolutionary period right after the Shah. We're willing to serve in some role which would end the conflict honorably for Iran. [redacted]

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[redacted] The U.S. has no illusions, however, about future Iranian relations. The right way is to proceed carefully and quitely. For example, Soviet anxiety could be quickly raised if they knew that we were trying to reestablish relations. We have shared interests for the long-term. We are prepared to improve on the situation that exists now and to do it in a step-by-step way. However, it's really up to Iran, we are ready."

[redacted] responded. "Regarding the need for Iran to achieve victory, it is not necessary that we achieve a big decisive military victory, but some kind of victory. Only in the last two years, has our approach with the United States been seen as possible, but it is most important to note that the important thing from Iranian perspective is to get Saddam Hussein out. This can be done by the Arabs. We have no territorial designs on Iraq. We have in fact given orders that no Iranian troops on Iraqi territory will display our flag. Iran wants a government in Baghdad that they can live with. The United States can help with the friendly Arabs."

North responded. [redacted] In regard to the points [redacted] made: "We were working with Ghorbanifar to make contact, but the letters provided by him to Iran describing our willingness to do certain things were not authorized. Only the document which we produced in Tehran, of which I have provided you a copy, was authorized. [redacted] I want to tell you that unless one of the three men sitting here in the room right now (North, Secord, Sam O'Neill) contact you, there is no official message. With respect to the document we prepared in Tehran, you will note a considerable emphasis on hostages. We consider them to be an obstacle. An obstacle to the understanding of the American people. The widespread perception here in America is that Iran is basically responsible for these hostages. The issue of hostages and terrorism must be dealt with since it is a political obstacle. On the other hand, you should realize that 52,000 people in the U.S. died last year in automobile accidents and 130,000 people died from lung cancer. Five U.S. hostages rarely make the newspapers or the television, but because this is a democracy, if the President is found to be helping Iran with this obstacle still in the way, it would be very difficult to explain to our people."

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"From the first, with [redacted] and Ghorbanifar, we have said let's get this issue -- the hostages -- behind us. We recognized that this would be undertaken as a humanitarian gesture on the part of the Iranian Government. [redacted] and to demonstrate our sincerity, at one point, we directed the delivery of 500 TOW missiles and eight hours later they were delivered into Bandar Abbas. But instead of responding favorably, 'rug merchant' type moves resulted, prices were talked about, prices were established for human lives. For instance, 'so many items for so many hostages.' We don't consider this to be a responsible government action and not one that the United States is prepared to engage in."

"We are prepared to continue to provide to Iran items which will help in her defense; but we wish to see the hostage issue behind us so that we can move onward. We have certain items of equipment already prepared for shipment. But you must understand, we cannot give them away. They have to be purchased."

[redacted] interjected with humor saying "haven't they already been paid?"

North responded saying that the TOWs and certain improved HAWK spares had been delivered and paid for, but the intermediary, Ghorbanifar, was complaining that the had not been fully paid.

[redacted] interjected with a political point. He said he agreed that the obstacle had to be removed, but we have to make it much more official and deal directly. Our government thinks that dealing through someone like Secord is a better way to go because they trust him. They don't expect factory prices, but they don't want the same situation to exist that exists today.

North responded saying that "Ghorbanifar always claims to be borrowing and then getting paid in part and rolling debts forward and raising costs and it is very, very confusing and its impossible for us to follow exactly what it is that he is doing. However, Ghorbanifar knows a great deal and he could be harmful to us if he were to go public and this is the problem which we wish to address. We think that Iran should pay him whatever they owe him so he will be quiet and stay off the air."

[redacted] responded that he has gotten all his money but he will look into it.

North said that we would be happy never to deal with Ghorbanifar again but, if he is to keep quiet, his debt should be paid. "We risk a great deal if we are compromised this early in the game. To be honest, I would just as soon not deal with [redacted] either, but this is an Iranian matter."

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[redacted] continued. "It's good that you established your initial contact with [redacted] This was important to the people in Tehran although it was not successful, and the proper people were never made aware and poor coordination was done and the meeting was not planned properly and it was, thus, very premature. Still it was important that we did establish initially at least contact with [redacted] because this was a pioneering move and [redacted] would not be in Washington now were it not for this initial opening."

North responded. "We are confident that you represent the Government of Iran and to his credit, as I said, [redacted] did have the first meeting with us in six years. This meeting that we're having now should do much to instill confidence in our two capitals and, if we can proceed, it will be very good. [redacted] Earlier you mentioned concern for security and concern over terrorism in our airlines and this we appreciate. The Government of Iran announcement that the Pan Am aircraft hijacked in Karachi could not come to Iran was much appreciated. As a further demonstration of our sincerity, we will arrange that next week on Voice of America the United States Government will thank those countries who were involved in helping in the Karachi hijacking and, for the first time, we will mention Iran as having acted in a positive way. It will be done very discretely in a editorial on VOA. Obviously, we cannot have the President go out announce an Embassy is being opened in Tehran. You would have a domestic, political problem and so would we. Thus, back to our obstacle: Truly we wish to get it behind us. We recognize that Tehran does not exercise absolute control over Hizballah, Amal, or Islamic Jihad; but we also know that you can help resolve this issue."

[redacted] responded that the issue "would be resolved." The question of who [redacted] is and what his background is was then raised by North and [redacted] responded that he was a trusted agent of Iran; he had been a loyal officer and now was a businessman and that they had complete confidence in him. North responded we know very little bit about this man and we are obviously concerned for security; we are concerned with the KGB penetrations and so on.

[redacted] responded that he too was concerned over this sort of thing. He also said that with respect to Mr. Hakim, whom he personally liked and wanted to see involved, some in Tehran regard him as a CIA agent. North responded that Hakim was never a spy for the United States; that he has been a consultant to our government on Iranian affairs from time to time; that he had full trust and confidence as a man who wanted to see improvement for the Iranian people and improvement in relations between our two countries.

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Because of the requirement for secret communications, he has acted on our behalf and we have investigated him as we investigate everyone. This is important to him because of his interest in the country of his birth and the country of his citizenship. We will include both he and [redacted] in whatever sessions that you wish to have them involved in -- you simply have to tell us.

[redacted]turned back to [redacted] He said that he is certain that has not been profiteering, but instead has been working sincerely but, he [redacted] is a simple man and he could not continue on with this complex relationship.

North said we tend to believe this. "Sam, here, has often talked with [redacted] and there is always inconsistency between what he says and what Gorba claims."

[redacted]

North said that we are concerned that the Soviets not become aware of any U.S. Government or Iranian Government relationship. "In Tehran, we recommended that we set-up a secure communication station and this would require us to send two of our men to Tehran to man and operate the station. This would give us good secure communications and would thwart the KGB. We are very concerned about KGB efforts to penetrate any relationship we might establish with the Government of Iran. The Iranian idea for a joint committee elsewhere seems to be a good idea, in principle. Meeting somewhere in Europe is probably the way in which we should proceed to manage this beginning relationship. The problem is that we have to set up some place where it won't be penetrated by the KGB. We are very concerned about communications and the Soviets' ability to intercept."

[redacted] responded that he agreed about the KGB and would like to use a single courier from Iran to Frankfurt via Iran Air from now on until secure communications could be established.

North asked [redacted] if he wants [redacted] on this joint committee?

[redacted] said, "Yes, but only for logisitical purposes. I want to give more thought to [redacted] and how he can work with Hakim." With respect to Ghorbanifar, [redacted] said they want to get him out of the loop as soon as they can. He's been profiteering and people in Iran fear that they will be accused of being profiteers.

North responded that Ghorbanifar has some strong Tehran connections that we know of and this remains a problem that needs to be solved. [redacted] said that our recent contacts with [redacted] have

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been very well handled [redacted] With respect to the hostage issue, he wants to get it resolved as quickly as possible and he is confident that they can resolve it. He said that Iran wants to make this a full exchange. For instance, "we have in mind to give you fellows T-72 tank, for example."

North again expressed concern about security and about Ghorbanifar in particular. North also stated that we believe that the oil market is naturally depressed and there is certainly no collusion between ourselves and the Saudis or others to keep prices low, but he agreed that the U.S. and Iran have similar interests with respect to oil.

[redacted] returned then to the subject of Buckley. [redacted] He said that he wanted to assure us that Buckley was not killed; that he died of natural causes; that he had three heart attacks. He also assured that he had been told that the others are all in good shape. He said that there are video tapes of them recently, talking for 20 minutes each and that these will be distributed to news agencies. [redacted] also said that there was one letter sent out.

North confirmed that one of the hostage relatives received a letter within a day or so of it being written. North then said that we want all the hostages out [redacted]

At 1800 hours, the first session ended with a short break and then Albert Hakim and [redacted] joined the group. After being joined by the others, [redacted] then said that he was growing tired and asked General Secord to read off the list of Iranian needs which were headed up first by intelligence exchange. [redacted] North reviewed the list of logistics support items being requested and responded that, in principle, to the extent that items are available either here or elsewhere there isn't a particular problem. "But as we emphasized to [redacted] in Tehran, we think that you might be thinking too small. People preparing lists are only thinking of the very short-term. We, the U.S., look at two million Iranians without homes; half the oil production facilities knocked out; yesterday's attack on Kharg Island, for instance, is a good example; medical supplies being in great shortage, even shortages of food; and so on. We think that the Iranian planners should be talking to us about other than simple weapons requests. [redacted] The United States is interested in helping stop the killing and to provide for an adequate defense. We cannot just do these things willy-nilly. For example: 10,000 175mm RAP rounds is not a

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whose office?

reasonabl ber of items and it would
take a lo that we have that many in
inventory. to go $5M worth of HAWK
spare part , you need technical
assistance s who are adequately
trained, a re useless and just
exacerbate hy the President agreed
to the TOW e been shipped so far, is
because th Iraq and the Soviets as
well. Aga l. For example, we have
offered to rough Albert Hakim's
organizati uppliers could be more
valuable pe than all the artillery ammunition we could
send."

"The authorities recognize the need for technical assistance. This was pointed out by General Secord in the Brussels' discussions and we should understand that they really inherited nothing from the Shah in the way of an army. The army was disorganized and very disarrayed. The lower echelon officers, as well as the higher echelon officers, were worth very little. They picked the first steps in this war with the army of the people, the revolutionary guards." He recalled earlier that in a meeting with [redacted] some of the military officers said that they had to have one tank for every Iraqi tank, one plane for every Iraqi plane. "This was not practical and, therefore, over time it was decided that the Iranian revolutionary guard, the army of the people, would be used to repell the enemy. Since then, of course, it has become more technological in nature and there are minimum levels of technological assistance and equipment we badly need and the United States can be very helpful in providing these. Therefore, they are looking forward to trying to establish a decent relationship on a secret basis at first."

At 2015, it was agreed to stop for the day and reconvene on Saturday, September 20, for further discussions.

The session continued on September 20, at 0935 hours in an office near the Sheraton Tysons' Hotel, where [redacted] was staying. Present for the U.S. side were Oliver North, Sam O'Neill, and R. Secord. Only [redacted] represented the Iranian side during these initial discussions.

North opened the session by saying that he would like to make some comments about the logistics support items on the list [redacted] had provided the day before. "We would like the leadership of Iran to know that President Reagan is aware that the Iranians have immediate needs; that, while we are sympathetic, we're not just interested in being simply an arms dealer; that we are

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interested in helping the immediate defensive needs in such a way that Iran does not lose the war. We also want to help you with some immediate domestic requirements and we want to help you end the war honorably. The President is willing to play whatever role necessary to help end the war in an honorable fashion."

[redacted] said that perhaps we need a secret exchange of letters between our leaders and he will address this upon return to Tehran. [redacted] stated that after we establish a basis for a relationship, all problems can be addressed. He said that he is completely in agreement with the point about not relying on the arms dealers or other non-official entities. On immediate needs, he could right now order the money to be paid for any of the items that might be available. He said that he could even get the money by telephone.

North said that we believe that this has to done in absolute secrecy.

[redacted] interrupted describing the difficulty of conducting discussions in Tehran. For example, there are three different groups that usually have to be consulted. Also in preparing for the coming offensive, thdy have shortages in some of the equipments and these are the ones that are mentioned in his list [redacted] With respect to finances since we don't have a formal relationship, we have to do these transactions in a very secret fashion and since our laws are very specific, we have to have payment before delivery of any hardware.

At this point, [redacted] requested that the entire group meet and [redacted] [redacted] and Albert Hakim joined the meeting.

North then stated again that we are trying to get past the issue of the hostages and, in the past, to show our good faith, we have moved certain items to Iran. We are also trying to do things with secrecy. We understand that with normal relations it's going to take time.

Secrecy takes longer and it costs more. With Ghorbanifar and [redacted] we have had a lengthy debate about prices for HAWK spare parts, with [redacted] claiming that we have charged six

times more than the microfische prices which he has discovered somewhere. "This has caused great of difficulty for us. [redacted] has misinterpretated the microfische. We've traced it back to its origins; it's not relevant. But communicating adequately has been next to impossible." Then North gave a short description of how U.S. military equipment is priced; manufacturers' prices; prices to our own forces; prices to allies; and the impact on overall price for the different modes of transfer. North closed by noting that the President has authorized the transfer of a number of TOWs and some HAWK missile parts in connection with this relationship. "In order to maintain secrecy, we have to sanitize the equipment; that is to remove all the original identifying markings and then we have to ship these items through a circuitous route and Israel, as you know, has been involved in this in the past. Thus, not only the time but also the price goes up when using such a complex method to procure and deliver such items." If it is helpful in getting past this obstacle of the hostages, we are prepared to go forward as requested by [redacted] if your leadership is ready. We are prepared to go forward with those items which are already prepared for shipment, i.e., additional HAWK missile spares and TOWs and with prices that are well understood in advance."

A discussion of the pricing then ensued and the price list was given to [redacted] which he said he understood and so did [redacted] North then noted that we needed to get rid of the hostage issue as soon as possible so that we could proceed on and establish a relationship which we both recognized as necessary and in the interest of both countries. "We recognize that the influence of Iran is indirect in many cases with the groups in Lebanon and we understand it is a difficult issue. We have offered in the past to give Iran credit as a humanitarian gesture if Iran wants this credit. It's an important point and we have to get past it. I want to tell you that with respect to the issue of the Da'wa prisoners held in Kuwait, we cannot go back to the Government of Kuwait on this issue. But I believe that the Government of Kuwait is prepared to release prisoners in a phased way if the Government of Iran goes privately to Kuwait and promises them no terrorism. This seems reasonable -- you should do it. I've been told to reassure the Government of Iran, moreover, that the U.S. citizen, John Pattis, has never been an employee of the United States Government. We did talk to him quite openly, as we talk to many travellers, but he is not a spy and he's not employee of the CIA and he's never employeed by the Government of the United States."

A short break was then taken and the meeting reconvened without [redacted] and without Hakim at 1525 hours.

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North pointed out that in regard to [redacted] list of equipment, "most of these items would have to come by ship because they are very big and heavy and only a few could come by aircraft." We need to exchange intelligence by courier. [redacted] We need some time to work this up, but we can do it and would be willing to do it if we can come to some understanding with the Government of Iran. [redacted] And, two, the Soviet propaganda organs would publicize our activities and cause great difficulties for both sides. We understand that you're prepared to go ahead and make transfers of money immediately in order to start shipment; but the U.S. is much more interested in doing it right than in doing it too fast."

[redacted] then stated that trying to get close to Western governments has created certain problems for his group in Tehran. [redacted]

North then stated that we have differences, great differences here. "The situations are not the same. Our President is not running for re-election, as you know. There are two years left in his term and he is sincerely interested in changing the course of history with the U.S.-Iranian relations. He has close advisors and aides, who have seen much of war, and they want to see the war out there ended. There is no effect whatever on American elections, and these hostage issues, as you can see, seldom even make the newspapers. Ronald Reagan would like to end this Iran-Iraq war and you might remember that we talked last night about the United States had a long history of acting as a peacemaker. The United States always has great concern for the suffering of people and we know of the impact of this war overall on Iran."

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[redacted] Iran also wants an honorable peace. In return, he expects that Iran will designate three very senior people to go to joint committee meetings. "We could have this joint committee meetings, if you want, by sending a letter to us [redacted] We could also always meet under the cover of a UN meeting. I guarantee you one thing though that I will look into this matter of help to Nicaragua immediately; and, if there is such a thing going on, I will stop it immediately. Again I say I will only use a courier until we can establish secure communications -- until we can set-up these committee meetings." After the meeting, he wanted Secord to be available to talk to him some more. He states further that he will be giving a weekly report on the conditions of the hostages and is now certain that he can bring enough pressure to bear to get them released. He will give us at least two days warning before they're released. He hoped that the U.S. can play a predominant role in achieving a peace in Lebanon. "Iran agrees completely with respect to an honorable peace with Iraq; however, Sadam Hussein must go from the Iranian point of view." He knows that it is not our policy, but he knows that we can bring our influence to bear with certain friendly Arab nations and it is "within the power of the Arab nations to get rid of Sadam Hussein." [redacted]

At this point, at 1730 hours, we agreed to summarize the two days of meetings. [redacted] stated that he wanted to:

"A. Take steps to form a small staff in Tehran for this project.

B. Make instructions for the transfers of monies after lists are checked and agreed to.

C. Inform his leadership about the Voice of America.

D. Clear the way for the release and form a game plan for the hostages.

E. As soon as possible, have a joint committee meeting which he, [redacted] would attend. And, hopefully within a week or ten days, this could be arranged."

North interjected that he agreed with this summary, but that added the point about the Da'wa hostages and Kuwait and Kuwait's desire for a guarantee against terrorism. [redacted] took note of this

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as well. [redacted] closed the session by stating his great appreciation for the hospitality which had been showed by him and North and by all concerned. And, then agreed to establish a brief, very, very brief, ops code for use on the telephone -- simply for the purpose of establishing a place and time of meeting for the joint committee meeting. The meeting ended at 1800 hour.

Comment: During several asides with [redacted], Sam's perception of [redacted] estimate of the two days of discussions is that while [redacted] and we both thought considerable progress was made, [redacted] wanted to discuss the results of the meetings in Washington with responsible officials in Tehran before recommending specific actions and steps be taken. Specific proposals will come at the next meeting with [redacted] and, being Iranian, they will probably be gaged to further tests and assess our sincerity.

~~TOP SECRET~~ [redacted] UNCLASSIFIED Chapter 14 Footnote 147

FILE: 3KPA6 [redacted] WHITE HOUSE COMMUNICATIONS AGENCY N 12608

Dulles. [redacted] seems to be o.k. He, Sam, Dick, Abe and I will meet here tomorrow from 1130 until necessary. Will take care of clearing them in such a way that Dick can drive them directly into the south court of OEOB and leave his car inside during the meeting. This procedure should suffice for ensuring that he knows he is really meeting with the USG and not someone else. We will walk him over to the Hay Adams for lunch and then back in through the front gate so that we can get some good polaroid photos for him to take home (he asked Dick for some way to bring these back with him so that he would not have to worry about getting the film developed at home.)

We will also wire my office appropriately for recording tomorrow's [redacted] at some conversations. Questions: Would you or Al want to meet with point during his time here? Do you think it wd be good to introduce him at some point during his brief stay here (he will probably depart Saturday afternoon), to RCM in that RCM is likely to be heading the next delegation back in his homeland?

& President Arcona

MSG FROM: NSJMP --CPUA TO: NSOLN --CPUA 09/22/86 08:37:02

To: NSOLN --CPUA

*** Reply to note of 09/20/86 12:04

-- SECRET --

NOTE FROM: JOHN POINDEXTER

Subject: Iran

Good on the talks. Will look forward to debrief. Ok on trip to London.

Iran

MSG FROM: NSJMP --CPUA TO: NSOLN --CPUA 09/22/86 08:38:31

To: NSOLN --CPUA

*** Reply to note of 09/20/86 12:06

-- SECRET --

NOTE FROM: JOHN POINDEXTER

Subject: Iran

What is relationship between Rafsanjhani and PM? Did Casey talk to Shultz about [redacted]

Iran

MSG FROM: NSJMP --CPUA TO: NSCPC --CPUA 09/22/86 08:39:34

To: NSCPC --CPUA

*** Reply to note of 09/18/86 10:51

NOTE FROM: JOHN POINDEXTER

~~TOP SECRET~~ [redacted] UNCLASSIFIED

Partially Declassified/Released on May 12, 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

699

14-147

~~TOP SECRET~~ [redacted] UNCLASSIFIED

Chapter 14
Footnote 148

N° 18059

FILE: AP006 [redacted] WHITE HOUSE COMMUNICATIONS AGENCY PAGE 111

Yet another example of "[illegible]" being misunderstood. The last time he told us [illegible] we were going to "lay some mines in Nicaragua," Goldwater [illegible] he said we were going to "[illegible]." [redacted]

V/R, North

Iran

MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA 09/22/86 12:08:09

To: NSJMP --CPUA

*** Reply to note of 09/10/86 13:15

NOTE FROM: OLIVER NORTH

Subject: Iran

[redacted] Cave will brief Casey this afternoon on the results of the discussions w/ [redacted] Casey has asked what we are doing abt bringing Sec State up to speed on results. I told him this was your call. Casey is urging a mtg on Weds. among you, Casey, Cave and me to discuss situation prior to discussion w/ Shultz. Can we schedule same?

Iran

MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA 09/22/86 09:22:57

To: NSJMP --CPUA

*** Reply to note of 09/10/86 13:15

NOTE FROM: OLIVER NORTH

Subject: Iran

Talks with [redacted] commenced on Friday night and proceeded almost non-stop until Sunday at [illegible] when he departed [redacted] aboard charter. George and Dick agree that things went extremely well. He is assured that the GOI is dealing directly with the USG and that the mutual interests of both parties transcend the "obstacle" of the hostages - but that this problem must be solved first. Much credit in this goes to Dick, who established the initial contact in [redacted] wants to set up a "joint committee" in [redacted] for resolving the issues which separate us - an idea which would then lead to putting a discrete communications team in Tehran. At one point he asked if Secord could return with him to advise on how to set this up. He asked specifically for a sign from the USG that we are indeed moving in the right direction and we agreed to a carefully constructed phrase in a VOA broadcast which would mention the nations which denied access to the hijacked PA 73 a/c and include Iran in the list. He will be back to us later in the week after he has met with the leadership in Tehran. In discussing what we could do for them he raised the issues of [illegible] in Iran, the collapse of the economy and the destruction of their oil industry. [redacted]

~~TOP SECRET~~ [redacted]

(21)

(22)

(23)

1088

9 June 1987

14-148

~~TOP SECRET~~ [redacted]

UNCLASSIFIED

Partially Declassified/Released on May 12, 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

N 18060

FILE: SHP06 [redacted] WHITE HOUSE COMMUNICATIONS AGENCY

[redacted] re-elected, that his motivation was to bring about an honorable end to the killing in the Iran/Iraq war, and to reestablish a positive relationship with the Iranian government that would lead to Christians, Jews and Moslems living in peace with one another. On a number of occasions we were told that he believed deeply in the teachings of our Holy Book, a copy of which was on the table, and reference was made to a number of pertinent passages (e.g. Gen. 15:7-21; Gal. 3:7; etc.). At one point he noted to George that RR being a man of God had removed the only argument they had - that Allah was supposed to be on their side. He has promised prompt action on the hostages, is looking for assurances that we will not walk away once they use their influence to get them free and noted that the USG should stop other attempts to make contact w/ the GOI to prevent confusion within the factions at home. He expressed concern about the [redacted] channel and admitted that they believed someone close to [redacted] was working for the USG. He expressed great concern that the Soviets could exploit confirmation of the contact by making the contact public and doing great mischief in Iran and the U.S. and by rapidly escalating their assistance to Iraq or even intervening in Iran. We did all we could to feed this anxiety. Sic has been calling regularly to exhort us to move on the next shipment. [redacted] has asked us to wait to see what the result of his discussion in Tehran is. We have decided to stall by telling Sic and Gorba that we must have a meeting w/ [redacted] before we can proceed. We have told Sic that you and RR are very concerned about the two new hostages and that we cannot proceed w/ further deliveries until such a meeting takes place. [redacted] has asked that for the time being we leave the Israelis out of this because of the problems at home. Contrary to what Sic said here, [redacted] did know that Sic was an Israeli. We will put together a summary of the talks by my return Wednesday. You can brief RR that we seem to be headed in a very positive direction on this matter and have hopes that the hostage resolution will lead to a significant role in ending the Iran/Iraq war. V/R North

Iran

[redacted]

[redacted]

714

~~TOP SECRET~~ [redacted]

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1415

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

Non-Log

N 9099 14-149 to 151
2816

October 2, 1986

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SENSITIVE

ACTION

Chapter 14
Footnotes 149-151
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14-157

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH

SUBJECT: Next Steps with Iran

[redacted] called Dick this morning to advise that he had just returned from Beirut and would very much like to meet with us in Frankfurt, Germany, on Monday, October 6. He indicates that he has "good news" regarding the hostages and that he wishes to get past the "obstacle" as quickly as possible. An appropriate travel approval is attached at Tab I.

George Cave is taking a well-deserved "mini-vacation" in Rome. We are telling all callers that he is in the hospital for tests on his back. In accord with [redacted] request, the U.S. side would be represented by: Sam O'Neil, Copp, and Goode.

[illegible] did

This meeting also affords us the opportunity to deal with the issue of Israeli cooperation. Nir has been calling daily (often several times) urging that we get on with the process in our "joint venture." He constantly cites his September 10 meeting with you as the basis for proceeding urgently. Because we have not told him about our intention to pursue the [redacted] first, he continues to encourage Ghorbanifar to raise the requisite funds for another delivery. Ghorbanifar, in turn, has a frequent dialogue with [redacted] in this regard. All of this tends to create confusion among the various participants and an unnecessary OPSEC vulnerability. We need to act now to reduce the number of channels into the Iranians (at least on a temporary basis) and clarify various roles and missions. [redacted]

We (Cave, Clarridge, [redacted], and Copp) believe that we should move promptly on both fronts as follows:

-- [redacted]: O'Neil, Copp, and Goode meet with [redacted] in Frankfurt on Monday, October 6. [redacted] has indicated that he has an internal consensus on how to proceed with regard to the hostages "obstacle." He has said that he will bring with him to this meeting "one of the officials we met with in

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845

SENSITIVE

N CHRON 12/15

Declassified/R[illegible] 12 May 1987

Tehran" and has asked that we bring with us a definitive sample of the intelligence we had discussed when he was here. Based on this, we believe that [redacted] may well accompany [redacted]. You will recall that [redacted] request for intelligence was very specific (the details were forwarded to you via PROFs). While the sensitivity of providing this information is well-recognized, it must also be noted that intelligence was given a higher priority by [redacted] than any other assistance we could provide. In the Casey-[redacted]-Cave-North meeting we had with you after [redacted] departed, we all agreed that it was unlikely that providing such information would change the course of the war. Further, we all recognized that the information need not be accurate and that it was highly perishable given the dynamic nature of the conflict. In short, we believe that a mix of factual and bogus information can be provided at this meeting which will satisfy their concerns about "good faith" and that we can use the "perishible argument as an incentive for the Iranians to accept a CIA communications team in Tehran. As before, we would not leave any documents with the Iranians, but will provide an exposition during which they could take detailed notes. Director Casey needs to be told to prepare the intelligence for handcarry to the meeting.

[redacted] has said he is bringing a Koran for the President. As a reciprocal gesture, we have purchased a Bible which we would present to [redacted] for him to take back to Tehran with him. Given our earlier discussions (see transcript), it would be very helpful if the President would inscribe a brief note citing a particular biblical passage (Tab III) in the front of the Bible. This particular excerpt is important in that it is a new testament reference to Abraham, who is viewed by Moslems, Jews, and Christians as the progenitor of all the world's nations. It would be most effective if the President hand wrote the inscription and initialed/signed it without addressing the note to any particular person.

-- Nir: When Amiram was here, we made a conscious decision not to apprise him of our near-term efforts with Rafsanjani's [redacted]. We did inform him earlier of the contact and he continues to inquire regarding the status of this initiative. Meanwhile, lacking guidance to the contrary, Nir has sought to stimulate further activity between Ghorbanifar and [redacted]. This has resulted in [redacted] calling directly to George's home and office several times daily and considerable confusion regarding why we have not accepted the [redacted] Ghorbanifar "offer" to purchase the remaining HAWK spare parts and 500 TOWs.

UNCLASSIFIED N. 9101

From an operational perspective, the current communications arrangements are a command and control/OPSEC nightmare (Tab II). Nir essentially controls our access to both [redacted] and Ghorbanifar and, thus, we often find ourselves reacting to his well intentioned efforts. We believe that we now have an opportunity to change the relationship in such a way that Nir is placed in a supporting role rather than acting as a primary source of control. We also recognize that Israel's participation in this activity is both politically and operationally important. In altering Nir's status, we need to do so in such a way that he and those officials in his government who are cognizant continue to perceive that this is still a "joint venture."

In order to accomplish the objectives outlined above, we propose that on Saturday, October 4, Copp would fly to Tel Aviv and meet with Nir. At the meeting, Copp would use the talking points at Tab IV. In an effort to ameliorate Nir's angst over his "new status," we urge that the letter at Tab V to Prime Minister Peres be signed by the President. If you agree, we need your approval of the talking points at Tab IV and a Presidential signature (real or autopen) on Tab V by 3:00 p.m. Friday, October 3.

The steps above are designed to give us a chance to make the new relationship through the [redacted] function without destroying the Ghorbanifar [redacted] channel. We would, in effect, put Ghorbanifar [redacted] on "hold" until we see what [redacted] produces. Please note that when Copp briefs Nir in Tel Aviv on Saturday, he will not reveal that he is enroute to Frankfurt to meet [redacted]. Given [redacted] strong antipathy toward the Israelis and our uncertainity as to whether or not he knows that Nir (aka Miller) is Israeli, we would tell Nir on Sunday night that we were going to a hastily arranged meeting with [redacted] which he (Nir) will be unable to make due to lack of connecting flights to Frankfurt.

[redacted] has already told us, that shortly after the October 6 meeting, there will be a follow-on meeting of the "joint committee" in which [redacted] will be a participant. Unless we are convinced that the Iranians would recognize Nir as an Israeli, we would intend to invite Nir to this follow-on meeting.

A memo from you to the President has not been prepared for obvious reasons. It is hoped that between now and 3:00 p.m. Friday you will have an opportunity to privately discuss this with the President and obtain his approvals/signatures on the steps indicated above.

UNCLASSIFIED N 9102
2812

RECOMMENDATIONS

1. That you initial the travel authorization sheet at Tab I.

Approve ____ Disapprove ____

2. That you tell Director Casey to prepare an appropriate intelligence package by Saturday, October 4, for the meeting with [redacted] on Monday (departure Sunday evening).

Approve ____ Disapprove ____

3. That you have the President inscribe the attached Bible with the passage at Tab III (a card is paperclipped at the appropriate place in the Bible).

Approve ____ Disapprove ____

4. That you approve the talking points at Tab IV for use by Copp with Nir on Saturday, October 4.

Approve ____ see ? Disapprove ____

5. That you obtain a Presidential signature on the letter to Prime Minister Peres at Tab V.

Approve ____ Disapprove ____

Attachments
Tab I - Travel Authorization Sheet
Tab II - Diagram
Tab III - Bible (for Presidential inscription)
Tab IV - Copp Talking Points
Tab V - Presidential ltr to PM Peres

UNCLASSIFIED

UNCLASSIFIED

DATE: October 3, 1986 N 7103
2820

1. TRAVELER'S NAME: Mr. William P. Goode

2. PURPOSE(S), EVENT(S), DATE(S): Official travel to Frankfurt, GE, on Monday, October 6, to meet with our contacts regarding the current situation in the Middle East.

3. ITINERARY (Please Attach Copy of Proposed Itinerary):

10/5	Depart	8:00 p.m.	Dulles Airport	PanAm #60
10/6	Arrive	9:20 a.m.	Frankfurt, GE	
10/7	Depart	12:45 p.m.	Frankfurt, GE	PanAm #61
10/7	Arrive	4:40 p.m.	Dulles Airport	

DEPARTURE DATE Sun, Oct 5 RETURN DATE Tues, Oct 7

TIME 8:00 p.m. TIME 4:40 p.m.

4. MODE OF TRANSPORTATION:

GOV AIR ____ COMMERCIAL AIR XX POV ____ RAIL ____ OTHER ____

5. ESTIMATED EXPENSES:

TRANSPORTATION $1872.00 PER DIEM XX OTHER ____ TOTAL TRIP COST ____

6. WHO PAYS EXPENSES: NSC XX OTHER ____

7. IF NOT NSC, DESCRIBE SOURCE AND ARRANGEMENTS: N/A

8. WILL FAMILY MEMBER ACCOMPANY YOU: YES ____ NO XX

9. IF SO, WHO PAYS FOR FAMILY MEMBER (If Travel Not Paid by Traveler, Describe Source and Arrangements): N/A

10. TRAVEL ADVANCE REQUESTED: $ 0.00

11. REMARKS (Use This Space to Indicate Any Additional Items You Would Like to Appear on Your Travel Orders):

12. TRAVELER'S SIGNATURE: W P. Goode

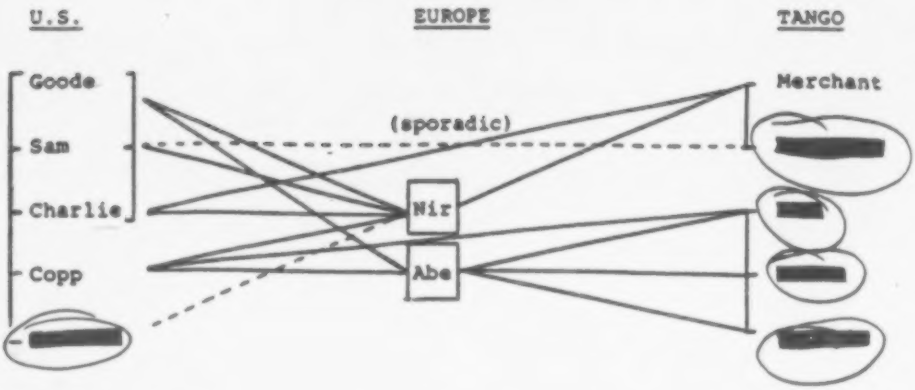
13. APPROVALS:

~~TOP SECRET~~ UNCLASSIFIED September 30, 1986

N 9104

2822

COMMUNICATIONS NETS


U.S.
EUROPE
TANGO
Goode
Sam
Charlie
Copp
[redacted]
(sporadic)
Nir
Abe
Merchant
[redacted]
[redacted]
[redacted]
[redacted]

From an OPSEC perspective, there are too many channels into (and out from) the U.S. We can't hope to have this many players speak with one voice -- no matter how "good" they are individually.

Recommendation: Pare the U.S. communicators down to no more than two individuals (who either compare notes directly each day, or report to a common supervisor); e.g., Sam and Copp, who both report daily to North. Cut Charlie, [redacted], and anybody else out. Have them stop communications cold turkey (to support cover story of A-[redacted] channel being blown, rolled up, and finished).

~~TOP SECRET~~
Declassify: OADR UNCLASSIFIED

UNCLASSIFIED

N 9105
2825

INSCRIPTION BY PRESIDENT:

"And the Scripture, foreseeing that God would justify the Gentiles by faith, preached the gospel beforehand to Abraham, saying, 'All the nations shall be blessed in you'.

Galatians 3:8"

UNCLASSIFIED N 9106

"And the Scripture, foreseeing that God would justify the Gentiles by faith, preached the gospel beforehand to Abraham, saying, 'All the nations shall be blessed in you.' Galatians 3:8"

Ronald Reagan
Oct. 3 1986

UNCLASSIFIED

~~TOP SECRET~~ UNCLASSIFIED SENSITIVE

INSTRUCTIONS TO COPP FOR MEETING WITH NIR

Saturday, October 4, 1986
Tel Aviv, Israel

N 9107
2827

You will have with you a letter from President Reagan to Prime Minister Peres thanking Mr. Nir for his courageous assistance to our mutual cause. You should initiate this discussion by presenting him with a copy of the letter and asking for his advice on delivering the original.

The objective of this discussion is to improve our control of events in this joint effort to establish a strategic relationship with Iran. The talking points below are intended to establish the parameters of your discussion and are designed to elicit further cooperation:

-- ADM Poindexter has directed that I see you regarding our current Ghorbanifar [redacted] channel and discuss with you ways in which we can move together to accomplish our mutual objective -- a strategic relationship with Iran.

-- [redacted]

-- We believe that the first new hostage (Reed) was probably taken by elements other than Hizballah -- although they may have him in their hands now.

-- We think that [redacted] may have believed that he could bring additional pressure to bear on us to commence further deliveries by seizing another hostage (or hostages).

-- Quite the contrary is true. The President is adamant that we will not move forward on this channel until we resolve the new hostage issue.

-- We are also concerned that the two new hostages (or at least Cicippio) represents a clear violation of the "understanding" we have had with the Iranians on anti-U.S. terrorism since June of last year.

-- We do not want to engage in a process that results in new hostages just to bring "pressure to bear." Nor will we continue this process if, when the current hostages are released, more are taken, simply to elicit further deliveries of arms.

~~TOP SECRET~~
Declassify: OADR UNCLASSIFIED SENSITIVE

[redacted]

UNCLASSIFIED

N 9108
2828

-- Aside from this very strong policy objection to continuing, we have, as you know, had repetitive financial and communications difficulties with Ghorbanifar. While we could debate as to whether or not Ghorbanifar had received all that was due him by the Iranians, the most important factor is potential OPSEC risk.

-- In an effort to "keep things moving," Ghorbanifar has made commitments in our name which are patently beyond our ability to meet. This has resulted in increased expectations on the part of the Iranians.

-- We know [redacted] that neither [redacted] nor other Iranian officials in Tehran trust Ghorbanifar. [redacted]

-- Finally, both of us know that [redacted] himself, is not intellectually astute enough to realize the importance of our contact nor the sincerity of our desire to establish an official government-to-government relationship.

-- In short, this channel is not serving our mutual objective: the reopening of a strategic relationship with Iran.

-- The President has directed that we will not proceed with any further receipt of funds from Ghorbanifar nor deliveries to [redacted] until we resolve these issues.

-- Several months ago, I apprised you of a contact with the [redacted] of Rafsanjani. The USG decided to pursue this contact to determine its validity.

-- We are confident that [redacted], the man I met with in Brussels, is indeed Rafsanjani's [redacted] and that he has been franchised to act as a liaison between the U.S. and Iranian governments.

? -- When Prime Minister Peres was in Washington last month, the President assured him that we are going to continue this effort as a joint project.

-- I have been instructed to seek out a second meeting with [redacted] as soon as it can be set up and that I will act as the U.S. intermediary until we establish direct contact with government officials from our side.

UNCLASSIFIED

N 9109
2829

-- Once we have established direct USG contact with the [redacted] we intend to introduce you into this process under the same conditions as obtained when you went to Tehran with us.

-- Based on my one initial meeting with [redacted] and the intelligence we have been able to collect, we believe that this contact may well prove to be the one that both your government and mine have been seeking.

(Remember Nir has been told that you "came upon" [redacted] as a consequence of looking into the possible diversion of TOWs through [redacted] during an investigation undertaken in late July/early August.)

-- While we explore the sincerity of [redacted] and confirm his ability to speak for the Iranian government, we want to keep the Ghorbanifar/[redacted] channel on "hold."

-- To that end, we have told Sam -- who is in the hospital -- he is to contact [redacted] and tell him that:

- there must be a meeting with [redacted] before we proceed any further;
- the issue of the two new hostages has become a strong, negative factor in proceeding at all;
- this matter (the two new hostages) must be resolved before we will take any further steps for any further deliveries;
- the problem is not the merchant and his financing, but rather the two new hostages;
- contrary to what he [redacted] may expect, there will be no further deliveries until we have met and resolved this matter;
- we have asked [redacted] to meet with us in Frankfurt on October 9 -- we do not yet have an answer.

-- I intend to meet with [redacted], somewhere in Europe or Turkey, hopefully this week. I will then report back to Washington on my findings and a follow-on meeting will be set-up -- in which we will attempt to have you included.

-- I want to caution you, however, that in my meeting in Brussels [redacted] indicated that he and others in Tehran are aware that you are an Israeli -- and knew it when you went to Tehran.

-- Neither of us want this contact, if it is indeed what I think it to be, to founder because of this.

-- I have been instructed to find a way to have you in the meeting in which Goode and Sam will serve as the USG representatives.

-- If my meeting with [redacted] this week goes well, I would expect that all of us could meet with him next week.

-- In the interim, if [redacted] does indeed agree to meet with us under the conditions we have established, we should proceed with that meeting.

Approved ______________

2831

Document

N9111

Deleted in

its Entirety

From: NSJMP --CPUA
To: NSRCM --CPUA

Date and time 10/03/86 20:35:35

*** Reply to note of 10/03/86 20:24

UNCLASSIFIED N 7503

NOTE FROM: JOHN POINDEXTER
Subject: HAK & ZBIG

We have quite a bit of news on that front. It looks promising. We have made contact with Rafsanjhani [redacted] Two meetings so far. One here in US. Ollie, Cave and Secord meet with him this weekend in Frankfort. Your trip to Tehran paid off. You did get through to the top. They are playing our line back to us. They are worried about Soviets, Afghanistan and their economoy. They realize the hostages are obstacle to any productive relationship with us. They want to remove the obstacle. [redacted] has been in Beirut, says he has good news for Frankfort. We shall see. Still insisting on group release. If this comes off may ask you to do second round after hostages are back. Keep your fingers crossed.

14-159

Chapter 14
Footnote 159

UNCLASSIFIED

Partially Declassified/Released on 7 May 1987
under provisions of E.O. 12356
by [illegible] Reger, National Security Council

556

VE 16
1215

FILE: SKP86 [redacted] AO WHITE HOUSE COMMUNICATIONS AGENCY

Chapter 14, Footnote 160

NOTE FROM: ROBERT MCFARLANE
Subject: HAK & ZBIG
Roger; anytime John.

UNCLASSIFIED

Partially Declassified / Released on 5 May 1982
under provisions of E.O. 12356
by Reger, National Security Council

[redacted]S:
N 12620

By the way, I watched the news tonight and saw Peggy Say beating up on the Administration for not getting the Beirut hostages out. I haven't heard anything on that score for a while. But I get the sense that we are pretty much at the mercy of the Iranians.

If you think it would be of any value, I might be able to take a couple of months off and work on the problem. No guarantees and no need for any sponsorship (except for airfares and hotels) but I might be able to turn something up. Think about it.

HAK & ZBIG

MSG FROM: NSJMP --CPUA TO: NSP
To: NSPWR --CPUA PETER RODMAN 10/04/86 10:55:27

UNCLASSIFIED

JMP 3/247

TOP SECRET

14-160

UNCLASSIFIED ~~TOP SECRET~~

Non-Log

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

N 9099
-8166

October 2, 1986

~~TOP SECRET~~

SENSITIVE

ACTION

Chapter 14
Footnote 149-
14-161+163

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH

SUBJECT: Next Steps with Iran

[redacted] called Dick this morning to advise that he had just returned from Beirut and would very much like to meet with us in Frankfurt, Germany, on Monday, October 6. He indicates that he has "good news" regarding the hostages and that he wishes to get past the "obstacle" as quickly as possible. An appropriate travel approval is attached at Tab I.

George Cave is taking a well-deserved "mini-vacation" in Rome. We are telling all callers that he is in the hospital for tests on his back. In accord with [redacted] request, the U.S. side would be represented by: Sam O'Neil, Copp, and Goode.

This meeting also affords us the opportunity to deal with the issue of Israeli cooperation. Nir has been calling daily (often several times) urging that we get on with the process in our "joint venture." He constantly cites his September 10 meeting with you as the basis for proceeding urgently. Because we have not told him about our intention to pursue the [redacted] first, he continues to encourage Ghorbanifar to raise the requisite funds for another delivery. Ghorbanifar, in turn, has a frequent dialogue with [redacted] in this regard. All of this tends to create confusion among the various participants and an unnecessary OPSEC vulnerability. We need to act now to reduce the number of channels into the Iranians (at least on a temporary basis) and clarify various roles and missions. [redacted]

did he?

We (Cave, Clarridge, [redacted], and Copp) believe that we should move promptly on both fronts as follows:

-- [redacted]: O'Neil, Copp, and Goode meet with [redacted] in Frankfurt on Monday, October 6. [redacted] has indicated that he has an internal consensus on how to proceed with regard to the hostages "obstacle." He has said that he will bring with him to this meeting "one of the officials we met with in

~~TOP SECRET~~
~~Declassify:~~ OADR

UNCLASSIFIED

845

SENSITIVE

N Chron 12/15

12 May 1987

Tehran" and has asked that we bring with us a definitive sample of the intelligence we had discussed when he was here. Based on this, we believe that [redacted] may well accompany [redacted]. You will recall that [redacted] request for intelligence was very specific (the details were forwarded to you via PROFs). While the sensitivity of providing this information is well-recognized, it must also be noted that intelligence was given a higher priority by [redacted] than any other assistance we could provide. In the Casey-[redacted]-Cave-North meeting we had with you after [redacted] departed, we all agreed that it was unlikely that providing such information would change the course of the war. Further, we all recognized that the information need not be accurate and that it was highly perishable given the dynamic nature of the conflict. In short, we believe that a mix of factual and bogus information can be provided at this meeting which will satisfy their concerns about "good faith" and that we can use the "perishible argument as an incentive for the Iranians to accept a CIA communications team in Tehran. As before, we would not leave any documents with the Iranians, but will provide an exposition during which they could take detailed notes. Director Casey needs to be told to prepare the intelligence for handcarry to the meeting.

[redacted] has said he is bringing a Koran for the President. As a reciprocal gesture, we have purchased a Bible which we would present to [redacted] for him to take back to Tehran with him. Given our earlier discussions (see transcript), it would be very helpful if the President would inscribe a brief note citing a particular biblical passage (Tab III) in the front of the Bible. This particular excerpt is important in that it is a new testament reference to Abraham, who is viewed by Moslems, Jews, and Christians as the progenitor of all the world's nations. It would be most effective if the President hand wrote the inscription and initialed/signed it without addressing the note to any particular person.

-- Nir: When Amiram was here, we made a conscious decision not to apprise him of our near-term efforts with Rafsanjani's [redacted]. We did inform him earlier of the contact and he continues to inquire regarding the status of this initiative. Meanwhile, lacking guidance to the contrary, Nir has sought to stimulate further activity between Ghorbanifar and [redacted]. This has resulted in [redacted] calling directly to George's home and office several times daily and considerable confusion regarding why we have not accepted the [redacted] Ghorbanifar "offer" to purchase the remaining HAWK spare parts and 500 TOWs.

UNCLASSIFIED N. 9101

From an operational perspective, the current communications arrangements are a command and control/OPSEC nightmare (Tab II). Nir essentially controls our access to both [redacted] and Ghorbanifar and, thus, we often find ourselves reacting to his well intentioned efforts. We believe that we now have an opportunity to change the relationship in such a way that Nir is placed in a supporting role rather than acting as a primary source of control. We also recognize that Israel's participation in this activity is both politically and operationally important. In altering Nir's status, we need to do so in such a way that he and those officials in his government who are cognizant continue to perceive that this is still a "joint venture."

In order to accomplish the objectives outlined above, we propose that on Saturday, October 4, Copp would fly to Tel Aviv and meet with Nir. At the meeting, Copp would use the talking points at Tab IV. In an effort to ameliorate Nir's angst over his "new status," we urge that the letter at Tab V to Prime Minister Peres be signed by the President. If you agree, we need your approval of the talking points at Tab IV and a Presidential signature (real or autopen) on Tab V by 3:00 p.m. Friday, October 3.

The steps above are designed to give us a chance to make the new relationship through the [redacted] function without destroying the Ghorbanifar [redacted] channel. We would, in effect, put Ghorbanifar [redacted] on "hold" until we see what [redacted] produces. Please note that when Copp briefs Nir in Tel Aviv on Saturday, he will not reveal that he is enroute to Frankfurt to meet [redacted] Given [redacted] strong antipathy toward the Israelis and our uncertainity as to whether or not he knows that Nir (aka Miller) is Israeli, we would tell Nir on Sunday night that we were going to a hastily arranged meeting with [redacted] which he (Nir) will be unable to make due to lack of connecting flights to Frankfurt.

[redacted] has already told us, that shortly after the October 6 meeting, there will be a follow-on meeting of the "joint committee" in which [redacted] will be a participant. Unless we are convinced that the Iranians would recognize Nir as an Israeli, we would intend to invite Nir to this follow-on meeting.

A memo from you to the President has not been prepared for obvious reasons. It is hoped that between now and 3:00 p.m. Friday you will have an opportunity to privately discuss this with the President and obtain his approvals/signatures on the steps indicated above.

RECOMMENDATIONS

1. That you initial the travel authorization sheet at Tab I.

Approve J____ Disapprove _____

2. That you tell Director Casey to prepare an appropriate intelligence package by Saturday, October 4, for the meeting with [redacted] on Monday (departure Sunday evening).

Approve _____ Disapprove _____

3. That you have the President inscribe the attached Bible with the passage at Tab III (a card is paperclipped at the appropriate place in the Bible).

Approve J____ Disapprove _____

4. That you approve the talking points at Tab IV for use by Copp with Nir on Saturday, October 4.

Approve J____ see ? Disapprove _____

5. That you obtain a Presidential signature on the letter to Prime Minister Peres, at Tab V.

Approve J____ Disapprove _____

Attachments
Tab I - Travel Authorization Sheet
Tab II - Diagram
Tab III - Bible (for Presidential inscription)
Tab IV - Copp Talking Points
Tab V - Presidential ltr to PM Peres

UNCLASSIFIED

DATE: October 2, 1986 N 9703

2220

1. TRAVELER'S NAME: Mr. William P. Goode

2. PURPOSE(S), EVENT(S), DATE(S): Official travel to Frankfurt, GE, on Monday, October 6, to meet with our contacts regarding the current situation in the Middle East.

3. ITINERARY (Please Attach Copy of Proposed Itinerary):

10/5	Depart	8:00 p.m.	Dulles Airport	PanAm #60
10/6	Arrive	9:20 a.m.	Frankfurt, GE	
10/7	Depart	12:45 p.m.	Frankfurt, GE	PanAm #61
10/7	Arrive	4:40 p.m.	Dulles Airport	

DEPARTURE DATE Sun, Oct 5 RETURN DATE Tues, Oct 7

TIME 8:00 p.m. TIME 4:40 p.m.

4. MODE OF TRANSPORTATION:

GOV AIR____ COMMERCIAL AIR XX POV____ RAIL____ OTHER____

5. ESTIMATED EXPENSES:

TRANSPORTATION $1872.00 PER DIEM XX OTHER____ TOTAL TRIP COST____

6. WHO PAYS EXPENSES: NSC XX OTHER____

7. IF NOT NSC, DESCRIBE SOURCE AND ARRANGEMENTS: N/A

8. WILL FAMILY MEMBER ACCOMPANY YOU: YES____ NO XX

9. IF SO, WHO PAYS FOR FAMILY MEMBER (If Travel Not Paid by Traveler, Describe Source and Arrangements): N/A

10. TRAVEL ADVANCE REQUESTED: $ 0.00

11. REMARKS (Use This Space to Indicate Any Additional Items You Would Like to Appear on Your Travel Orders):

12. TRAVELER'S SIGNATURE: W. P. Goode

13. APPROVALS:

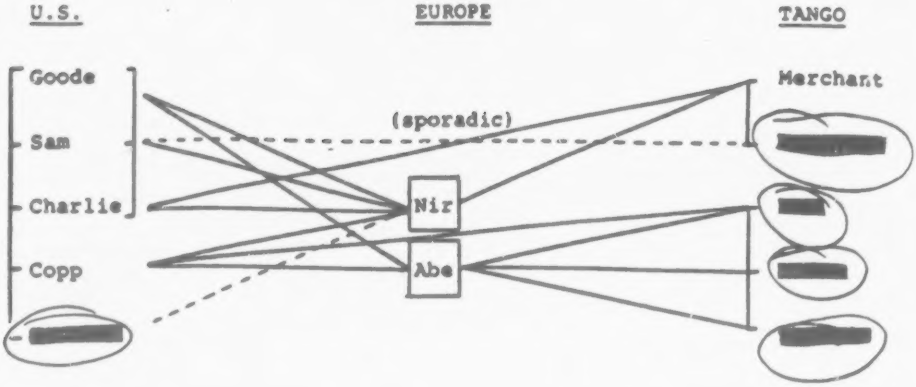
~~TOP SECRET~~ UNCLASSIFIED

September 30, 1986

N 9104

[illegible]

COMMUNICATIONS NETS


U.S.
EUROPE
TANGO
Goode
Sam
Charlie
Copp
[redacted]
(sporadic)
Nir
Abe
Merchant
[redacted]
[redacted]
[redacted]
[redacted]

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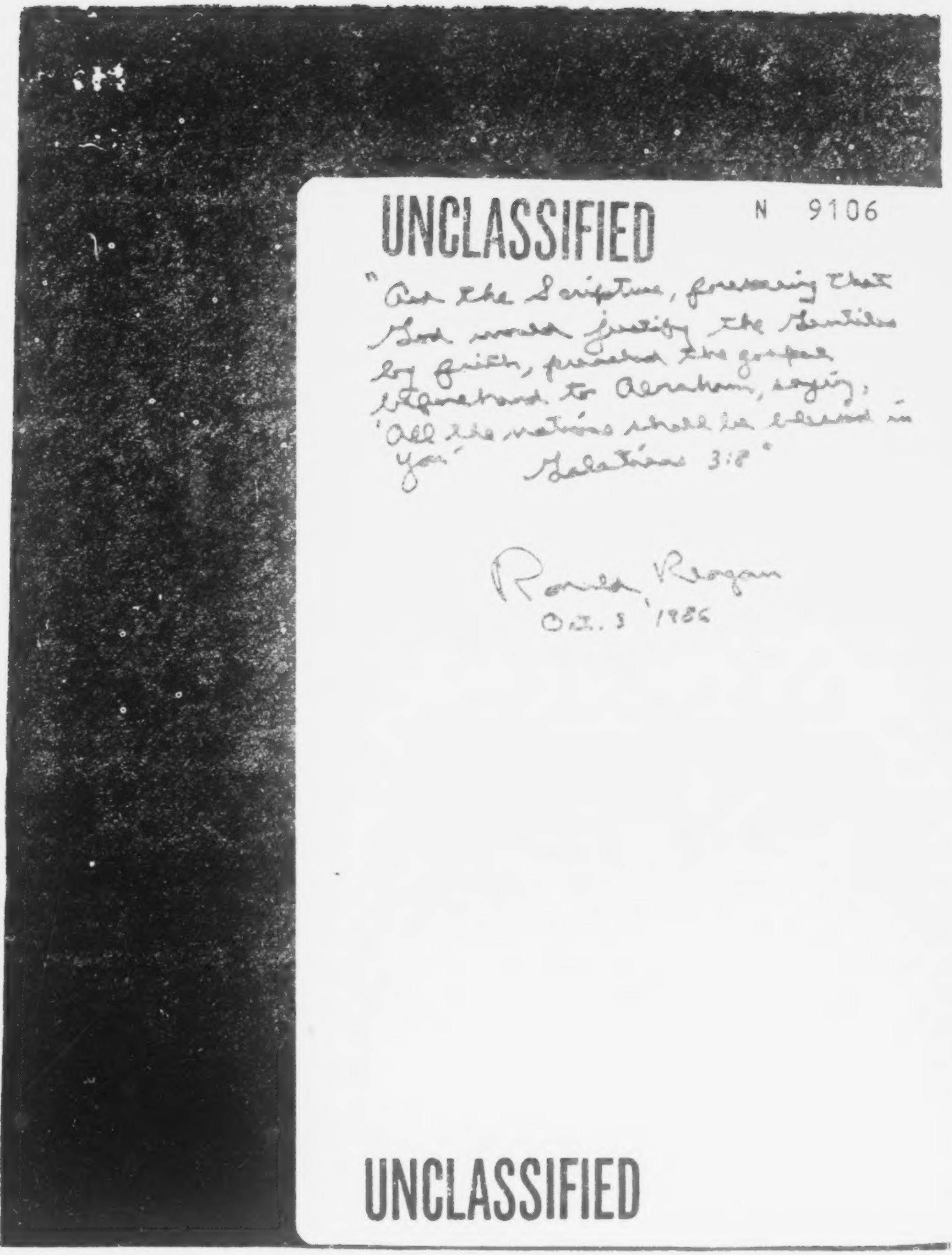
~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED N 9105
222

INSCRIPTION BY PRESIDENT:

"And the Scripture, foreseeing that God would justify the Gentiles by faith, preached the gospel beforehand to Abraham, saying, 'All the nations shall be blessed in you'.

Galatians 3:8"



UNCLASSIFIED N 9106

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Ronald Reagan
Oct. 3 1986

UNCLASSIFIED

~~TOP SECRET~~ UNCLASSIFIED **SENSITIVE**

INSTRUCTIONS TO COPP FOR MEETING WITH NIR

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Tel Aviv, Israel

N 9107
2827

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~~TOP SECRET~~
Declassify: OADR UNCLASSIFIED **SENSITIVE**

N 9108

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-- Finally, both of us know that [redacted], himself, is not intellectually astute enough to realize the importance of our contact nor the sincerity of our desire to establish an official government-to-government relationship.

-- In short, this channel is not serving our mutual objective: the reopening of a strategic relationship with Iran.

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? -- When Prime Minister Peres was in Washington last month, the President assured him that we are going to continue this effort as a joint project.

-- I have been instructed to seek out a second meeting with [redacted] as soon as it can be set up and that I will act as the U.S. intermediary until we establish direct contact with government officials from our side.

UNCLASSIFIED

N 9109
2229

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(Remember Nir has been told that you "came upon" [redacted] as a consequence of looking into the possible diversion of TOWs through [redacted] during an investigation undertaken in late July/early August.)

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  - this matter (the two new hostages) must be resolved before we will take any further steps for any further deliveries;
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  - we have asked [redacted] to meet with us in Frankfurt on October 9 -- we do not yet have an answer.

-- I intend to meet with [redacted], somewhere in Europe or Turkey, hopefully this week. I will then report back to Washington on my findings and a follow-on meeting will be set-up -- in which we will attempt to have you included.

-- I want to caution you, however, that in my meeting in Brussels [redacted] indicated that he and others in Tehran are aware that you are an Israeli -- and knew it when you went to Tehran.

UNCLASSIFIED

[illegible]
N 9110

~~TOP SECRET~~ SENSITIVE

-- Neither of us want this contact, if it is indeed what I think it to be, to founder because of this.

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-- If my meeting with [redacted] this week goes well, I would expect that all of us could meet with him next week.

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Approved ______________

UNCLASSIFIED

~~TOP SECRET~~ SENSITIVE

223

Document

N 9111

Deleted in

its Entirety

UNCLASSIFIED

Chapter 14, Footnotes 166-167, 312 248 264-267

3 February 1987 C

MEMORANDUM FOR THE RECORD

14-166 to 167

SUBJECT: FRANKFURT TAPES

TO: Charles Allen
NIO Counterterrorism
CIA [redacted]

1. (TS NF) Accompanying this memo are the transcripts of tapes numbered A-11 through A-15 inclusive obtained during the 29-30 October 1986 meetings of U.S. and Iranian negotiators in Frankfurt.

2. (TS NF) There now remain just five tapes requiring transcription, those numbered A-16 through A-19, inclusive, plus one mini-cassette. Transcripts for these will be forwarded as completed.

[redacted]

[redacted]
Declassify On: Originating Agency's Determination Required

Partially Declassified/Released on 1/26/88
under provisions of E.O. 12356
by B. Reger, National Security Council

4437

UNCLASSIFIED

UNCLASSIFIED

C11D 0608

Ch. 14 #166-167

UNCLASSIFIED

((TAPE A11))

C 313

([redacted] AND ANOTHER PERSIAN, APPARENTLY [redacted] CONVERSING. ONLY ISOLATED WORDS AND PHRASES CAN BE UNDERSTOOD. HAKIM IS NOT PRESENT.))

((END TAPE A11))

((TAPE A12))

([redacted] AND ANOTHER PERSIAN, [redacted], CONVERSING. ONLY ISOLATED PORTIONS CAN BE UNDERSTOOD. CALL MADE TO HOTEL SWITCHBOARD TO FIND OUT WHETHER A TELEX HAD BEEN RECEIVED FROM TEHRAN. ANOTHER CALL ORDERING BREAKFAST FOR ROOM [redacted] HAKIM ARRIVES. HAKIM MAKES A PHONE CALL. ASKS FOR A MR. SCHNEIDER. SCHNEIDER NOT AVAILABLE; HAKIM TALKS TO SOMEONE ELSE (THIS CALL IS ON THE "B" TAPES RECORDED DURING THESE MEETINGS.) LATER, PHONE RINGS AND [redacted] TALKS BRIEFLY TO SOMEONE IN PERSIAN. BREAKFAST ARRIVES.))

4438

Partially Declassified/Released on 1/26/88 under provisions of E.O. 12356 by B. Reger, National Security Council

((END TAPE A12))

((TAPE A13))

((CONTINUATION OF BREAKFAST CONVERSATION BETWEEN HAKIM, [redacted] AND [redacted] TELEVISION ON. ONLY ISOLATED PORTIONS CAN BE UNDERSTOOD.))

((END TAPE A13))

((TAPE A14))

((TAPE BEGINS WITH PARTICIPANTS APPARENTLY GETTING READY FOR THEIR MEETING. SOMEONE OPENS THE WINDOW. VOICES IN THE DISTANCE, PROBABLY IN AN ADJOINING ROOM. SOUNDS LIKE THE MAID IS CLEANING UP THE ROOM. SOMEONE CHATS BRIEFLY WITH HER IN ENGLISH. [redacted] AND [redacted] CHAT. U.S. PARTICIPANTS BEGIN TO ARRIVE. THEN:))

SECORD: TWO THINGS WE WANT TO TALK ABOUT. WE WON'T SPEND MUCH TIME. BUT TWO THINGS ARE VERY IMPORTANT.

CAVE: ((INTERPRETS))

SECORD: ?HE/WE? SAID THAT IRAN, THE COUNTRY, IS NOW RUN LIKE SHAREHOLDING--DIFFERENT GROUPS SHARING POWER.

CAVE: ((INTERPRETS))

~~NOFORN~~

SECORD: OUR GROUP, WHICH IS THE PRESIDENT AND HIS MEN, ARE VERY CONCERNED

C1110 0203

UNCLASSIFIED

AS TO WHETHER OR NOT WE ARE INDEED DEALING WITH THE GOVERNMENT OF IRAN. THEY RECOGNIZE THAT THERE ARE DIFFERENT FACTIONS; YET THEY STILL QUESTION WHETHER WE'RE DEALING WITH THE TOP.

CAVE: ((INTERPRETS))

SECORD: THIS EXERCISE THAT WE'VE RUN THROUGH THE PAST SEVERAL WEEKS ABOUT GETTING THE MONEY INTO THE BANK, INTO OUR SYSTEM SO WE CAN GET THE TOWS, HAS BEEN WORSE THAN A ((WORD MISSING)). IT'S BEEN TERRIBLE, AND THE IMAGE CREATED BACK IN WASHINGTON IS WHAT WORRIES ME.

CAVE: ((INTERPRETS))

SECORD: JUST AS IN ANY BIG COUNTRY, THE PRESIDENT GETS INFORMATION FROM MANY OF HIS DEPARTMENTS--HIS INTELLIGENCE PEOPLE, INFORMATION PEOPLE, SENIOR ADVISORS. A NUMBER OF ADVISORS TO THE PRESIDENT THINK THAT WE'RE CRAZY--WE MUST BE CRAZY.

CAVE: ((INTERPRETS))

SECORD: SO MAYBE SAM AND I AND NORTH CAN UNDERSTAND SOME OF THIS BECAUSE WE LIVE WITH IT. BUT OTHERS CANNOT. IT JUST DOES NOT MAKE SENSE; IT'S NOT LOGICAL. I WANT TO MAKE THIS PROCESS A REASONABLE, LOGICAL PROCESS.

CAVE: ((INTERPRETS))

((PHONE RINGS. [redacted] TALKS WITH SOMEONE IN PERSIAN BRIEFLY ABOUT CLEARING UP THE PROBLEMS WITH THE ACCOUNT NUMBER.))

CAVE: ((PORTION INAUDIBLE)). THEY'VE GOT EVERYTHING MOVING. ((PORTION INAUDIBLE)).

SECORD: I GUESS THAT'S GOOD NEWS. THIS, OF COURSE, WOULD BE ONE VERY IMPORTANT STEP IN CREATING THE KIND OF SITUATION WE WANT TO CREATE WHICH IS ONE OF MUTUAL TRUST. IF WE CANNOT DEVELOP IN THE NEXT FEW WEEKS A CONDITION WHERE WASHINGTON AND TEHRAN HAVE AT LEAST SOME TRUST IN ONE ANOTHER, WE'LL FAIL.

CAVE: ((INTERPRETS))

SECORD: TILL WE PREPARE TO GO FORWARD, TILL WE GET READY TO MOVE FORWARD, YOU NEED TO GET THE MONEY FROM EUROPE HERE SOME PLACE, SO YOU HAVE YOUR HANDS ON IT, SO IT CAN BE RELEASED WITHIN A DAY OF THE TIME THAT WE AGREE TO TAKE ANOTHER STEP. WE NEED TO HAVE THE MONEY ALL RIGHT HERE WITHOUT ANY STRINGS ON IT SO WE DON'T HAVE TO GO THROUGH THIS JOKE AGAIN.

CAVE: ((INTERPRETS))

SECORD: NOW, WHAT WE'RE CONCERNED WITH IS NOT THE MONEY ITSELF. BUT BACK HOME IN WASHINGTON PEOPLE SAY IF YOU ARE DEALING WITH THE IRANIAN GOVERNMENT, THEN THREE MILLION DOLLARS, ?FOUR MILLION?, IS NOTHING. YOU MUST NOT BE DEALING WITH THE GOVERNMENT.

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CAVE: ((INTERPRETS))

SECORD: THE NEXT POINT IS RELATED TO THIS POINT. AND THIS HAS TO DO WITH

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CAVE: ((INTERPRETS))

SECORD: [redacted] IS A BIG SECURITY PROBLEM. YOU YOURSELF HAVE TOLD US THAT YOU WANT TO KEEP HIM IN ONE SMALL AREA.

CAVE: ((INTERPRETS))

SECORD: [redacted] IS A SECURITY PROBLEM OF BIG PROPORTIONS ON THE TELEPHONE. HE BELIEVES, FOR INSTANCE ON THE TELEPHONE. HE BELIEVES THAT HE HAS TO KNOW EVERYTHING. HE WAS VERY UPSET THAT WE DELIVERED THESE TOWS WITHOUT COORDINATING WITH HIM FIRST.

CAVE: ((INTERPRETS))

SECORD: HE TALKS ON THE TELEPHONE ALL THE TIME. [redacted] WATCHES HIM CAREFULLY. SAM CAN EXPLAIN MORE ON THIS.

CAVE: ((INTERPRETS))

SECORD: [redacted] TOLD ME SOME TIME AGO THAT HE DID NOT KNOW GHORBANIFAR. HE HAD HEARD OF HIM BUT DID NOT KNOW HIM. THAT IS FALSE. [redacted] HE HAS MET WITH GHORBANIFAR. WE KNOW THIS TO BE TRUE.

CAVE: ((INTERPRETS))

SECORD: WE DO NOT NEED ANOTHER GHORBANIFAR. WE WILL NOT ACCEPT ANOTHER GHORBANIFAR. Incredible that Secord only inveighs against Ghorba

CAVE: ((INTERPRETS))

SECORD: WE HAVE NO OBJECTION TO BUSINESSMEN MAKING MONEY. THAT'S GOOD. WE DON'T CARE ABOUT THAT. IT'S NOT IMPORTANT TO US. WHAT'S IMPORTANT TO US IS SECURITY.

CAVE: ((INTERPRETS))

SECORD: NOW, I HAVE A SUGGESTION, BECAUSE WE DO NOT WISH TO CREATE PROBLEMS WE WANT TO GET OUR HOSTAGES OUT; WE DON'T WANT A LOT OF NOISE, A LOT OF TALK. SO WE'LL TALK WITH [redacted] HERE FOR THE NEXT FEW DAYS. BUT WHEN WE GET PAST THIS NEXT STEP, WE WANT TO SEE [redacted] OFF TO ONE SIDE.

CAVE: ((INTERPRETS))

SECORD: I WOULD LIKE TO HEAR HIS OPINION NOW. I HAVE NOTHING MORE TO SAY ON THAT. HAS HE FINISHED WHAT HE WAS GOING TO SAY? PERHAPS WE COULD HEAR HIS OPINION.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) ((INAUDIBLE))

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[redacted]

CAVE: ((INTERPRETS)) HE SAYS, ON THE QUESTION OF MONEY, HE SAYS, LOOK I JUST GOT INVOLVED IN THIS A FEW MONTHS AGO. AND I DON'T KNOW ((PORTION MISSED)) ABOUT THE FINANCIAL ((FEW WORDS MISSED)).

[redacted]

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HE SAYS, I DON'T KNOW ONE ((LARGE PORTION MISSED.)) TO TEHRAN, AND THEY ACCEPT THAT, THE FACT THAT THIS HAS BEEN A PROBLEM, AND THEY'LL WORK IT OUT.

[redacted]

CAVE: ((INTERPRETS)) HE SAYS WHAT THEY'VE BEEN TRYING TO DO IS TO SET UP AN ACCOUNT WHICH WOULD BE UNDER [redacted] CONTROL AND TO HAVE 40 MILLION DOLLARS IN IT SO THAT WE CAN, WHEN THEY GO ?THROUGH WITH THE TRANSACTION?, WE CAN ((FEW WORDS MISSED)).

[redacted]

CAVE: ((INTERPRETS)) HE SAYS ((THERE ARE)) SO MANY ((FEW WORDS MISSED)) THAT FROM THE TIME THEY START SOMETHING ((FEW WORDS MISSED)) ?IT TAKES? AT LEAST 8 OR 9 WORKING DAYS TO GET THROUGH ALL THE VARIOUS BANK ((FEW WORDS MISSED)) IN GETTING BACK TO THE BANK-E SADERAT.

SECORD: BUT THEY GIVE [redacted] MONEY, THEN THAT WILL RESOLVE ((FEW WORDS MISSED)). IT WON'T BE A PROBLEM.

CAVE: ((MISSED)).

[redacted]

CAVE: HE SAYS, "I WANT TO TALK TO YOU ABOUT THE PROBLEM OF [redacted] AND I WANT TO TALK TO YOU ABOUT THE PROBLEM OF [redacted], NOT ONLY [redacted] BUT IN THE CONTEXT OF ALL THE OTHER ?IRANIANS? THAT ARE INVOLVED IN THIS, BECAUSE ((PORTION MISSED)) A BAD SITUATION.

SECORD: IN OTHER WORDS, HE AGREES WITH ME.

[redacted]

CAVE: ((INTERPRETS)) ((INAUDIBLE))

((SEVERAL EXCHANGES INAUDIBLE)).

[redacted]

CAVE: ((INTERPRETS)) [redacted] HAS TOLD EVERYTHING ?HE KNOWS? TO ?[redacted]? ((PORTION MISSED)).

((QUALITY OF TAPE HAS DETERIORATED FURTHER. CAVE AND [redacted] ALMOST TOTALLY INAUDIBLE.))

CAVE: HE SAYS THAT ONE OF THE PROBLEMS THAT HE HAS WITH [redacted] IS THAT ((PORTION INAUDIBLE)) AND HE SAYS, "I HONESTLY DON'T KNOW HOW TO HANDLE IT."

SECORD: I HAVE A SOLUTION FOR THAT PROBLEM.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) ((INAUDIBLE))

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((END OF TAPE A14))

((TAPE A15))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS IF YOU'LD ((TWO WORDS MISSED)) FROM THE TIME HE LEFT AND WENT BACK THE LAST TIME. HE SAYS HE HAD TEN CALLS FROM [redacted] ASKING WHERE HIS MONEY WAS.

SECORD: MY SUGGESTION IS THAT WE SIMPLY TAKE [redacted] OUT OF THIS LOOP. HE WORKS FOR US. WE GOT HIM ENGAGED TO START WITH BECAUSE WE NEEDED SOMEONE THAT HAD CONTACT WITH [redacted] AND, THROUGH [redacted] WITH THIS GROUP.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS, ?TRYING ONLY TO SET? HIM ASIDE, THAT'S NOT REALLY THE MAJOR PROBLEM. THE PROBLEM IS THAT BECAUSE OF HIS BAD FINANCIAL SITUATION, ALL OF HIS PROPERTIES IN TEHRAN WERE ?SEQUESTERED? ((FEW WORDS MISSED)) SOMETHING'S GOT TO BE DONE TO HELP HIM OUT FINANCIALLY, AND HE IS NO POSITION TO DO IT BECAUSE ((FEW WORDS MISSED)) BACK HOME.

SECORD: THAT IS OUR RESPONSIBILITY; WE'LL TAKE CARE OF IT.

CAVE: ((INTERPRETS))

SECORD: IN THE FUTURE WE MAY BE ABLE TO FIND SOME WORK FOR HIM ON THE SIDE. MAYBE HE CAN LOOK AT SOME OF THE PEOPLE WE SELECT AS TECHNICIANS OR HELP WITH ADMINISTRATIVE THINGS. WE WILL NOT ((WORD MISSED)) HIM ON POLITICAL ((WORD MISSED)). BUT WE CAN PUT HIM ASIDE.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT YOU ARE ABSOLUTELY CORRECT WHEN YOU TALK ABOUT [redacted] BEING ((FEW WORDS MISSED)) AND BEFORE WE GOT INVOLVED WITH HIM. HE WAS INVOLVED IN THE [redacted] THING. WE DIDN'T KNOW THAT, AND YOU KNOW THAT THE [redacted] WERE VERY INTERESTED IN HIM BECAUSE OF THIS, WHICH MAY BE ALSO HOW HE GOT TO KNOW GHORBANIFAR

SECORD: POSSIBLY BECAUSE GHORBANIFAR WAS VERY CLOSE TO ((WORD MISSED)).

[redacted]

CAVE: ((INTERPRETS)) THEY KNOW NOTHING ABOUT HIS CONTACTS WITH GHORBANIFAR. HE HAS NEVER SAID ANYTHING TO THEM ABOUT IT. AND HE SAYS IF WE'VE GOT ANY EVIDENCE, THEY WOULD BE VERY INTERESTED IN HAVING IT BECAUSE THEY WOULD PURSUE IT ((FEW WORDS MISSED)).

SECORD: I THINK THE EVIDENCE WE GOT, [redacted] DID WE NOT?

CAVE: ((INTERPRETS))

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((SEVERAL EXCHANGES MISSED))

CAVE: ((INTERPRETS)) HE SAYS ALBERT IS TRYING TO PUSH THIS TOO FAST, AND HE'S AFRAID THAT IT MIGHT BE ?DISASTROUS? ((FEW WORDS MISSED)).

SECORD: WHAT IS HE TRYING TO PUSH TOO FAST, THE RELATIONSHIP OR THE HOSTAGES?

CAVE: BASICALLY THE WHOLE RELATIONSHIP. HE'S TRYING TO MAKE IT GO TOO FAST.

SECORD: BECAUSE WE HAVE PLACED ALBERT UNDER PRESSURE ON THE HOSTAGES, BECAUSE WE THINK THAT IF WE GET AT THEM QUICKLY....

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) ((PORTION MISSED)) HE SAYS, I CAN'T DO THIS. HE SAYS, ALBERT IS ((WORD MISSED)) THE ADVISOR, BUT I HAVE TO ((WORD MISSED)) TEHRAN, COORDINATE THIS WHOLE THING WITH THE VARIOUS GOVERNMENT ORGANIZATIONS ((PORTION MISSED)).

[redacted]

CAVE: ((INTERPRETS)) ((UNINTELLIGIBLE))

[redacted]

CAVE: ((INTERPRETS)) ((PORTION MISSED)) HE SAYS ALBERT IS ((WORD MISSED) ?PROPOSING? THINGS THAT HAVEN'T BEEN DISCUSSED WITH US. AND HE SAYS HE DOESN'T ((FEW WORDS MISSED)).

[redacted]

CAVE: ((INTERPRETS)) ((UNINTELLIGIBLE)).

((EXCHANGE MISSED))

((PHONE RINGS)) SECORD TELLS PARTY "WE'LL BE FINISHED IN FIVE MINUTES. JUST WAIT RIGHT WHERE YOU ARE."

SECORD: NORTH WANTS TO TALK. LET'S FINISH THIS.

[redacted]

CAVE: ((INTERPRETS)) ((PORTION MISSED)). HE SAYS THIS THING HAS GOT TO BE DONE BY ((WORD MISSED)).

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[redacted]

CAVE: ((INTERPRETS)) HE SAYS, "WELL WHY DIDN'T THEY TELL ME THIS?" AND HE SAID, "WELL, THEY CAN'T OFFICIALLY TELL YOU THESE THINGS, BUT ?I CAN BE? UNOFFICIAL ((FEW WORDS MISSED)).

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SECORD: THIS IS OUR FAULT, I SUPPOSE. AND IT'S A COMMUNICATIONS PROBLEM WHICH WE MUST SOLVE OR ALBERT, OR ANYBODY ELSE, WILL NOT BE ABLE TO DO OTHER THAN MAKE PHONE CALLS.

CAVE: ((INTERPRETS))

SECORD: IF [redacted] IS GOING TO BE THE EXECUTIVE IN CHARGE, AND IF WE CAN MEET WITH HIM FREQUENTLY HERE IN EUROPE, THAT WILL GO A LONG WAY TOWARDS SOLVING THE COMMUNICATIONS PROBLEM.

CAVE: ((INTERPRETS))

SECORD: AND, OF COURSE, THE SECURE COMMUNICATIONS...

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) WHAT HE'S SUGGESTING IS THAT BECAUSE THERE'S GOING TO BE AN AWFUL LOT OF TELEPHONING THE NEXT COUPLE OF DAYS, HE WOULD OF COURSE LIKE TO TAKE THAT THING BACK, BECAUSE THEY'VE ALREADY ?GOT? A COUPLE OF DEDICATED TELEPHONE LINES ((FEW WORDS MISSED)) THAT THEY CAN USE FOR ((FEW WORDS MISSED))

[redacted]

CAVE: ((INTERPRETS)) WHAT HE'S BRINGING UP IS HE SAYS THAT ANOTHER THING THAT WOULD BE GOOD ((PORTION MISSED)) CHANGING THE SITUATION, BUT HE SAID, "WHAT WE REALIZE IS AFTER TALKING TO YOU IS THAT WE NEED TECHNICIANS. WE'VE GOT TO HAVE PEOPLE ((FEW WORDS MISSED))," AND HE SAID, "I'D LIKE TO MOVE AS FAST AS POSSIBLE ON THIS" ((FEW WORD MISSED)) HE CONTACTED YOU. HE SAID, "THAT'S WHY I SUGGESTED THAT SOMETIME NEXT YEAR YOU LET A TECHNICIAN IN, IT WOULD BE GREAT.

SECORD: FINE. LET US ... WE WILL TALK TO OUR PEOPLE ABOUT THIS TODAY AND COME BACK TO THAT SUBJECT LATER TODAY.

CAVE: ((INTERPRETS))

SECORD: THE GOOD SOLUTION, OF COURSE, TO THIS PROBLEM IS FOR THE COMMUNICATIONS STATION TO BE SET UP ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS))

SECORD: [redacted].. THAT'S THE REAL SOLUTION.

[redacted]

CAVE: ((INTERPRETS)) OK, WHAT HE'S SAYING IS THAT "YEAH, THAT'S FINE. AND AS SOON AS WE GET THE TWO HOSTAGES OUT, WE'LL GET THE ?PHONE CALL?." THE PROBLEM WE'RE GOING TO HAVE WITHIN THE NEXT FEW DAYS ...

SECORD: I UNDERSTAND THAT, I AGREE WITH THAT.

CAVE: THEY DON'T WANT ... IT'S TOO MUCH. THEY WOULD LIKE TO HAVE A SECURE WAY OF TALKING TO US.

SECORD: LET'S HE AND I WORK ON THIS PROBLEM.

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CAVE: ((INTERPRETS))

SECORD: NOW, ALBERT TOLD ME AT THE BEGINNING--HE TOLD ALL OF US--HE DID NOT WANT TO BE INVOLVED IN THESE POLITICAL DISCUSSIONS. HE SAID, "I'M A BUSINESSMAN, I DON'T WANT TO BE INVOLVED IN POLITICAL DISCUSSIONS." BECAUSE OF HIS LANGUAGE CAPABILITY AND BECAUSE OF HIS ASSOCIATION WITH ME--SAM CAN'T BE EVERYWHERE ALL THE TIME--WE HAVE HAD TO USE ALBERT. HE HAS NOT WANTED TO BE IN THIS ROLE, AND HE'S NOT COMFORTABLE IN THIS ROLE.

CAVE: ((INTERPRETS))

SECORD: AND HE WANTS TO BE FINISHED. NOW WE WILL GET SOME MORE PROFESSIONALS INVOLVED IN THIS AS WE GET THIS PROCESS ORGANIZED. WE'RE SO SHORT OF PEOPLE RIGHT NOW; IT'S TERRIBLE.

CAVE: ((INTERPRETS))

SECORD: AS SOON AS THE PRESIDENT TELLS US TO MOVE AHEAD, I'M SURE THAT SAM AND I CAN GET THE RIGHT PEOPLE INVOLVED IN THIS.

CAVE: ((INTERPRETS))

SECORD: AND NOW ?NORTH? NEEDS TO TALK ABOUT BEIRUT AND DAMASCUS. I'M NOT SURE ((FEW WORDS MISSED)).
((PHONE RINGS)) SECORD SAYS TO PARTY ON PHONE, "OKAY, I THINK WE'RE ON THE RIGHT ROAD NOW. BE RIGHT DOWN."

[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT ALBERT REALLY DOESN'T UNDERSTAND THE PROBLEMS ((FEW WORDS)) BACK IN TEHRAN, AND THAT'S PART OF THE PROBLEM.

((KNOCK ON THE DOOR))

?NORTH? ARE YOU FINISHED?

SECORD: JUST TWO MINUTES.

?NORTH? TWO MINUTES?

SECORD: YEAH ((THEN, SPEAKING TO [redacted]) NOW, WE HAVE NOT SOLVED THAT PROBLEM, AND WE CAN COME BACK TO THIS LATER, BUT WE AGREE IT'S A PROBLEM. IS THAT CORRECT?

CAVE: ((INTERPRETS))

SECORD: SO WE AGREE? NOW NORTH WANTS TO TALK TO YOU ABOUT THE HOSTAGES AND HOW WE COORDINATE--YOUR GOVERNMENT AND OUR GOVERNMENT. I THINK THIS IS VERY IMPORTANT; I WOULD LIKE TO GO GET HIM. LET ME GO GET HIM.

CAVE: ((INTERPRETS))

((CAVE AND [redacted] CHAT IN PERSIAN. INAUDIBLE. NORTH ARRIVES.

NORTH: GOOD MORNING.

CAVE: I'VE GOT A COUPLE OF THINGS TO SAY TO YOU.

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SECORD: BEFORE WE START?

CAVE: YEAH. UNDER NO CIRCUMSTANCES DO THEY WANT ANY CREDIT FOR RELEASI THE HOSTAGES.

NORTH: NOTHING SAID ABOUT IRAN.

CAVE: NOTHING SAID ABOUT IRAN. THEY THINK THE BEST THING TO DO IS TURN THEM OVER TO THE SYRIANS, LET THEM RELEASE THEM, AND THEN SAY SOMETHING ABOUT HUMANITARIAN ((FEW WORDS MISSED)). CONSIDERING WHAT HAS HAPPENED ABOUT THE MCFARLANE VISIT, IF PRESIDENT REAGAN CAME OUT WITH A STATEMENT THANKING IRAN, IRAN WOULD CONTRIBUTE TO THE ((WORD MISSED)) CONDITIONS CREATED BY BRINGING OUT IN THE OPEN THE MCFARLANE VISIT. ((FEW WORDS MISSED)).

SECORD: BUT IF THE PRESIDENT SIMPLY SAYS HE WISHES TO THANK THOSE FRIENDLY GOVERNMENTS WHO HAVE CONTRIBUTED TO THIS ...

CAVE: HUMANITARIAN ((WORD MISSED)).

SECORD: JUST A GENERAL STATEMENT WITHOUT IDENTIFYING ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS))

SECORD: I THINK WE SHOULD JUST HOLD IT TO THIS GROUP HERE UNTIL WE GET THIS DOWN.

((PORTION INAUDIBLE.))

SECORD: ALBERT, WHAT WE'D LIKE TO DO IS JUST LET THE THREE OF US DEAL WITH THEM ON HOW WE'RE GOING TO COORDINATE THIS BEIRUT-DAMASCUS THING.

((MUTTERING IN THE BACKGROUND; ALBERT LEAVES THE ROOM.))

CAVE: WHILE YOU WERE OUT, HE HAD A CALL FROM TEHRAN ABOUT THE ?HOSTAGES?, AND THEY'VE BEEN ?TRYING TO? RELEASE ((ONE OR TWO WORDS MISSED)) BY SUNDAY AFTERNOON.

?NORTH?: ((WORD MISSED))

CAVE: DAMASCUS. THE OTHER THING HE'S SAYING IS THAT BECAUSE OF THE FACT THAT THEY'RE GOING TO HAVE TO BE ON THE TELEPHONE COORDINATING ?ALL THIS?, AND THAT POSSIBLY ?THEY? WON'T HAVE A SECURE VOICE SYSTEM. ((PORTION MISSED)).

NORTH: MY INSTRUCTIONS ARE NOT TO TURN IT OVER UNTIL WE'VE GOT...

CAVE: WELL, WE DON'T HAVE ALL THE PARTS TO IT

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NORTH: NO. WE GOT TWO SITTING UP IN..

CAVE: I DON'T GIVE THEM THE.. WE DON'T HAVE THE ((FEW WORDS MISSED)).

NORTH: IT'S IN GENEVA WELL THEY CAN GET 'EM. ALL YOU HAVE TO DO IS JUST ENTER THE CODES, BUT I HAVE TO GET THEM OUT OF GENEVA.

SECORD: WELL, [redacted]IKE TO HAVE A CAUCUS WITH THE THREE OF US ON THIS

CAVE: C1110658 ((EXPLAINS TO [redacted] THAT THEY MAY NOT BE ABLE TO

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[redacted]

CAVE: ((INTERPRETS)) WHAT HE WANTS TO KNOW NOW IS--EXPLAIN TO HIM HOW YOU WOULD LIKE TO HAVE THE HOSTAGES HANDLED, AND HE'LL SEE IF IT'S POSSIBLE FOR THEM TO DO IT THAT WAY.

[redacted]

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2 pages
C-323 to C-324

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YOU OUGHT TO SEE THE INTELLIGENCE ON IRAQ THAT WE'VE GOT. WHAT I'M TRYING TO DO FOR YOU... AND I'VE SPENT 25 YEARS OF MY LIFE IN THE MILITARY... THAT'S IMPORTANT.

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HAKIM: ((INTERPRETS))

NORTH: WHAT THE PRESIDENT TOLD ME TO DO WAS TO BUILD THE BEST POSSIBLE INTELLIGENCE [redacted] WE DIDN'T GIVE YOU A FULL INTELLIGENCE PACKAGE BACK IN FEBRUARY.

HAKIM: ((INTERPRETS))

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NORTH: BASED ON THE [redacted] PREPARE A LIST OF MOST NEEDED ITEMS THAT WE WOULD RECOMMEND TO YOU...

HAKIM: ((INTERPRETS))

NORTH: HE ONLY PUT ONE CONSTRAINT ON WHAT I DID. "YOU WILL NOT," HE SAID TO ME, "RECOMMEND ITEMS THAT WOULD ALLOW OR ENCOURAGE THE IRANIAN ARMY OR THE PASDARAN TO SEIZE BAGHDAD."

HAKIM: ((INTERPRETS))

[redacted]

HAKIM: ((INTERPRETS)) ISN'T IT YOUR UNDERSTANDING FROM EVERYTHING THAT YOU HAVE SEEN THAT BAGHDAD IS NOT ONE OF THEIR OBJECTIVES?

NORTH: MY FRIEND, I UNDERSTAND THAT. I ACTUALLY BELIEVE THAT. BUT I ONE HELL OF A TIME CONVINCING PEOPLE LIKE CASPER WINEBERGER AND GEORGE SHULTZ.....

HAKIM: ((INTERPRETS))

ORTH: AND THAT'S AN IMPORTANT FACTOR HERE.

AKIM: ((INTERPRETS))

[redacted]

AKIM: ((INTERPRETS)) HE SAYS THAT YOU... THEY DID NOT BELIEVE THAT THEY COULD SEIZE FAW, BUT THEY DID.

ORTH: THAT'S WHAT SCARED THE HELL OUT OF CASPER WEINBERGER AND GEORGE SHULTZ. ((LAUGHS))

AKIM: ((INTERPRETS))

[redacted]

AKIM: ((INTERPRETS)) HE SAYS THEY ARE NOT GOING TO WAIT FOR SHULTZ AND WEINBERGER TO SEIZE BAGHDAD.

ORTH: ((LAUGHING)) I UNDERSTAND THAT.

[redacted]

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by B. Reger, National Security Council

1503

MEMORANDUM OF CONVERSATION

PARTICIPANTS: U.S.: Oliver North
Richard Secord
Sam O'Neill
Iranian: [redacted]

First session convened in the Old Executive Office Building at 12:15 p.m. on Friday, September 19, 1986. [redacted] opened the session, and after preliminary pleasantries, outlined four points which he wished to address initially. One, the Iranian position vs. what they perceive to be the U.S.'s number one enemy -- Russia. Second, their view of American and Iranian strategic interests in the area. Third, past relations of the United States with revolutionary Iran. Fourth, their views for future relations with the United States.

[redacted] then launched into a lengthy exposition with respect to the foregoing issues. He said that the Soviets are a great and aggressive power with a long border with Iran. They recognize that Russia is a direct enemy of the United States and that, with respect to Iranian interests, they do not wish to have antagonistic relations with the USSR, but on the other hand being a friend of the Soviets could be even more dangerous because Soviet ideology is directly opposed to Iran's. They also recognize that their brothers in Afghanistan are suffering under the Soviets. Finally, the Soviets are directly supporting the Iraqis in the war against the Iranians and killing Iranian soldiers. Back to the question of the long border with Russia, [redacted] noted Secord statement in Brussels to the effect that the United States would oppose a Soviet thrust into Iran with or without support of the Government of Iran. The Government of Iran found this statement to be interesting and comforting. The leaders of Iran are very worried today about the "fantastic" increase of Soviet intelligence operations in Iran in recent times. [redacted] The Soviets are attempting to exploit Iranian internal problems. He went on to acknowledge that the revolutionary environment in Iran has many weaknesses. Their security services are weak for instance. [redacted]

[redacted] next turned to relations between the Government of Iran and the United States Government. He says that some cooperation is necessary in their view. [redacted]

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[redacted] Next, Iran needs U.S. influence with the Arab countries friendly to the United States in order to help diminish support for Iraq. Third is the matter of oil, which is vital to Iranian economy. They need U.S. support in this matter. Fourth and most important, he said, is the security of the Gulf and terrorism against U.S. interests and hostages.

[redacted] said he wanted to make these things clear and one of the Iranian leaders in particular has asked that he make this message very clear. [redacted]

On the subject of security, [redacted] said this has two aspects: One is the fear of the flood of terrorism in the region and the second is the overall effects of the current war. With respect to terrorists and hostages, he said that the Shiite religion under the Aytollah is absolutely opposed to terrorism and the taking of hostages. For instance, after the explosions in Lebanon, the Aytollah wrote a "Fatwa," which is a religious ruling absolutely opposing terrorism and the taking of hostages. But, we the United States have to understand that Iran still does not have strong, effective security forces and firm control. [redacted] admits that there are people within Iran who do espouse hostage taking and terrorism. [redacted]

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[redacted] The Government of Iran needs more information in order to confront them and they would like to have this from the United States. [redacted] emphasized that from the standpoint of humanity, Iran is against hostage taking and terrorism and even has a certain amount of sympathy for the U.S. at the current time. In the case of Lebanon, Iran considers that they have in the past been helpful to the U.S. In the TWA hijacking, in getting information on the hostages and in the release of two hostages, Iran has already helped. [redacted] said that the Iranians have attraction in places like Lebanon because of the "right-minded masses of peoples' sympathy" for the Iranian revolution. But he said that both Iran and the United States are victims of this hostage business. He next turned to the Iran-Iraq war. Iran, he said, needs a "victory" and that he will explain what he means by victory. Lack of security in Iran is a real problem for the United States. Secord's comments in Brussels were well received and his analysis of the war was keenly received by the leadership in Iran. [redacted]

With respect to United States and Iran, [redacted] provided a quick analysis. Until two years ago, it was difficult for anyone in Iran to consider any kind of United States Government/Iranian relations. There were several probes in the past two years and he wanted to know if they were real. [redacted] And finally, what [redacted] regarded as the worst channel, they've also received numerous probes and letters from an unnamed arms dealer in Europe. Some in Iran believed in these probes from the arms dealers, but "I personally," [redacted] said, "did not believe in them." [redacted] claimed to have been working on this opening of relations

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with the U.S. for two years now and that the real problem is the lack of communications. "One and a half years ago, an arms dealer came, allegedly with word from [redacted] about exchanging two hostages for arms. We don't trust this arms dealer. After the discussions with Secord and Hakim in Brussels, the leadership has come up with the idea of forming a 'joint committee' that would sit down and resolve the problems step-by-step and that we have a great opportunity to do this now."

[redacted] went on to emphasize the critical importance of this direct meeting here in Washington. "A stage-by-stage plan is needed with which both sides can agree and we need to get on with it quickly while the opportunity is still here."

North responded. "Happy you are here and hope that there is now no doubt that you are talking directly with the Government of the United States directly."

"We understand your problems with respect to channels of communications. We have had the same problem. In all honesty, we are still not in a position to have very good relations, but we are certainly interested in a step-by-step approach to the problem. We have received assurances from General Secord about the genuineness of this particular channel to Iran and, therefore, the President has authorized this meeting. I understand your sensitivity on this, because it is important to have good communications in order to proceed. [redacted] We recognize that your connection with the arms dealer, Ghorbanifar, was not acceptable and is not acceptable to us either. However, he did bring us into contact with an official of the Government of Iran [redacted] This was our first meeting with a Government of Iran official in over six years. As you know now after meetings in Germany with [redacted] we arranged for a delegation to go to Tehran. The President chose a most trusted adviser to lead this mission -- Robert McFarlane. The reason why we went to Tehran was to try to establish the channel of which you now speak. Unfortunately, we met with only a few officials most of whom used false names. We met with none of the people that we expected to meet with and the meeting was a great disappointment to our President."

[redacted] interjected that it is important for him to know the names of the people. In the discussion insued as to what the people looked

like and what assumed names they used. North continued. "You should understand that this meeting in Tehran was a great disappointment to us. It has been difficult since then to convince the leadership here of the need to try to continue in the face of that failure. While we were there, we even prepared a draft Memorandum of Understanding to establish this channel. We understood the need for secrecy and I can show you this draft here now, if you wish to read it.:

"There are a number of things which you should understand about why we have pursued this attempt to be in contact with your government. President Reagan is a very strong and popular President. He has helped the United States to recover from a period of economic and military weakness. He has restored economic and military strength to the U.S. Most important, he has restored the will of American people. The U.S. is no longer afraid to use its power in its own defense, and it is not intimidated by the Soviets. Yesterday, we expelled 25 Soviets from the United Nations. We will not give in to Soviet pressure in Afghanistan, Angola, or Central America. The United States wants relations on the basis of reciprocity with all states and, of course, this includes Iran. We want to solve our disputes through discussions not through fighting. The United States believes that many trends are working in its favor -- economy, technology, politics, all working in favor of the United States. Reagan has two more years and has a strong moral position in the eyes of the United States and of the world. The President strongly believes in the words of the Holy Book as do you. He believes deeply in the teachings of the God of Abraham. Thus, he is very popular here and should be popular in the world of Islam. When we went to Tehran, he said to tell you that we accept your revolution as a fact. We admit that there have been missteps along the road since the revolution, but it is important to tell you that there is a responsible and sincere wish in the leadership here to establish communications/relations with Iran. Therefore, we must speak frankly in order to facilitate this. Our policy is based, not on emotion, but on perceptions built-up over the years. There are many things that you have said which we can agree to, but there is a perception that Iran has used revolutionary Islam against the United States. For example, it is clear that some in the Government of Iran have encouraged the taking of U.S. hostages as a means of getting back convicted prisoners held by the Kuwaitis and that there has been a direct connection between the Da'wa, Hizballah, and elements inside the Government of Iran. Therefore, since we're a democracy, as long as this perception exists, we have a great obstacle in the way of doing what the President wants and what you say Iran wants. Also, we see anti-U.S. activity emanting from Iran in Central America."

[redacted] questioned the basis for this information. North responded. "This is all based on accurate intelligence. For example, in Nicaragua, Iran actively supports the communist government there and Iran plans to ship 10,000 rifles and other munitions to Nicaragua through North Korea. These activities serve Soviet interests and in the long-term jeopardize Iran and the United States. In spite of this, the President has directed us to proceed with attempt to establish discrete and, when appropriate, a public relationship with Iran. The President's direction is based on two important principals: One, concern over the Soviets vis-a-vis Iran and; two, our desire to ensure the territorial integrity of Iran and the other Gulf States. We accept the revolution as a fact. The territorial integrity of Iran and the other states in the region are of great importance to the United States. [redacted] The United States does not wish to see Iran lose. We do not want to see an attempt against Iraq which will bring in the Soviets. The Soviets, on the other hand, are in a difficult position. Their economy is a disaster; they've suffered major reverses, for instance, Chernobol; Soviet defectors are showing up all over the world; Soviet ships run into each other in the Black Sea; Soviet submarine-launched missiles accidentally land in China. Last week, six Soviets were killed in Peru. They see the Iran-Iraq war and Afghanistan as very important to them, but neither of these wars are going well for them. They have two things, however, that are advantageous to them. One is great military power, capable of intimidating their neighbors; and two is a very, very effective KGB. We believe that they are capable of using these two instruments of power. Therefore, we understand that Iran can be not their enemy, nor their friend. We have common interests. Iran's continuation as a sovereign state is something that we desire. We have no interest in an Iraqi victory. You might remember that we had no relations with Iraq during the years of the Shah or even during the revolutionary period right after the Shah. We're willing to serve in some role which would end the conflict honorably for Iran. [redacted]

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[redacted] The U.S. has no illusions, however, about future Iranian relations. The right way is to proceed carefully and quitely. For example, Soviet anxiety could be quickly raised if they knew that we were trying to reestablish relations. We have shared interests for the long-term. We are prepared to improve on the situation that exists now and to do it in a step-by-step way. However, it's really up to Iran, we are ready."

[redacted] responded. "Regarding the need for Iran to achieve victory, it is not necessary that we achieve a big decisive military victory, but some kind of victory. Only in the last two years, has our approach with the United States been seen as possible, but it is most important to note that the important thing from Iranian perspective is to get Saddam Hussein out. This can be done by the Arabs. We have no territorial designs on Iraq. We have in fact given orders that no Iranian troops on Iraqi territory will display our flag. Iran wants a government in Baghdad that they can live with. The United States can help with the friendly Arabs."

North responded. [redacted] In regard to the points [redacted] made: "We were working with Ghorbanifar to make contact, but the letters provided by him to Iran describing our willingness to do certain things were not authorized. Only the document which we produced in Tehran, of which I have provided you a copy, was authorized. [redacted] I want to tell you that unless one of the three men sitting here in the room right now (North, Secord, Sam O'Neill) contact you, there is no official message. With respect to the document we prepared in Tehran, you will note a considerable emphasis on hostages. We consider them to be an obstacle. An obstacle to the understanding of the American people. The widespread perception here in America is that Iran is basically responsible for these hostages. The issue of hostages and terrorism must be dealt with since it is a political obstacle. On the other hand, you should realize that 52,000 people in the U.S. died last year in automobile accidents and 130,000 people died from lung cancer. Five U.S. hostages rarely make the newspapers or the television, but because this is a democracy, if the President is found to be helping Iran with this obstacle still in the way, it would be very difficult to explain to our people."

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"From the first, with [redacted] and Ghorbanifar, we have said let's get this issue -- the hostages -- behind us. We recognized that this would be undertaken as a humanitarian gesture on the part of the Iranian Government. [redacted] and to demonstrate our sincerity, at one point, we directed the delivery of 500 TOW missiles and eight hours later they were delivered into Bandar Abbas. But instead of responding favorably, 'rug merchant' type moves resulted, prices were talked about, prices were established for human lives. For instance, 'so many items for so many hostages.' We don't consider this to be a responsible government action and not one that the United States is prepared to engage in."

"We are prepared to continue to provide to Iran items which will help in her defense; but we wish to see the hostage issue behind us so that we can move onward. We have certain items of equipment already prepared for shipment. But you must understand, we cannot give them away. They have to be purchased."

[redacted] interjected with humor saying "haven't they already been paid?"

North responded saying that the TOWs and certain improved HAWK spares had been delivered and paid for, but the intermediary, Ghorbanifar, was complaining that the had not been fully paid.

[redacted] interjected with a political point. He said he agreed that the obstacle had to be removed, but we have to make it much more official and deal directly. Our government thinks that dealing through someone like Secord is a better way to go because they trust him. They don't expect factory prices, but they don't want the same situation to exist that exists today.

North responded saying that "Ghorbanifar always claims to be borrowing and then getting paid in part and rolling debts forward and raising costs and it is very, very confusing and its impossible for us to follow exactly what it is that he is doing. However, Ghorbanifar knows a great deal and he could be harmful to us if he were to go public and this is the problem which we wish to address. We think that Iran should pay him whatever they owe him so he will be quiet and stay off the air."

[redacted] responded that he has gotten all his money but he will look into it.

North said that we would be happy never to deal with Ghorbanifar again but, if he is to keep quiet, his debt should be paid. "We risk a great deal if we are compromised this early in the game. To be honest, I would just as soon not deal with [redacted] either, but this is an Iranian matter."

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[redacted] continued. "It's good that you established your initial contact with [redacted] This was important to the people in Tehran although it was not successful, and the proper people were never made aware and poor coordination was done and the meeting was not planned properly and it was, thus, very premature. Still it was important that we did establish initially at least contact with [redacted] because this was a pioneering move and [redacted] would not be in Washington now were it not for this initial opening."

North responded. "We are confident that you represent the Government of Iran and to his credit, as I said, [redacted] did have the first meeting with us in six years. This meeting that we're having now should do much to instill confidence in our two capitals and, if we can proceed, it will be very good. [redacted] Earlier you mentioned concern for security and concern over terrorism in our airlines and this we appreciate. The Government of Iran announcement that the Pan Am aircraft hijacked in Karachi could not come to Iran was much appreciated. As a further demonstration of our sincerity, we will arrange that next week on Voice of America the United States Government will thank those countries who were involved in helping in the Karachi hijacking and, for the first time, we will mention Iran as having acted in a positive way. It will be done very discretely in a editorial on VOA. Obviously, we cannot have the President go out announce an Embassy is being opened in Tehran. You would have a domestic, political problem and so would we. Thus, back to our obstacle: Truly we wish to get it behind us. We recognize that Tehran does not exercise absolute control over Hizballah, Amal, or Islamic Jihad; but we also know that you can help resolve this issue."

[redacted] responded that the issue "would be resolved." The question of who [redacted] is and what his background is was then raised by North and [redacted] responded that he was a trusted agent of Iran; he had been a loyal officer and now was a businessman and that they had complete confidence in him. North responded we know very little bit about this man and we are obviously concerned for security; we are concerned with the KGB penetrations and so on.

[redacted] responded that he too was concerned over this sort of thing. He also said that with respect to Mr. Hakim, whom he personally liked and wanted to see involved, some in Tehran regard him as a CIA agent. North responded that Hakim was never a spy for the United States; that he has been a consultant to our government on Iranian affairs from time to time; that he had full trust and confidence as a man who wanted to see improvement for the Iranian people and improvement in relations between our two countries.

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Because of the requirement for secret communications, he has acted on our behalf and we have investigated him as we investigate everyone. This is important to him because of his interest in the country of his birth and the country of his citizenship. We will include both he and [redacted] in whatever sessions that you wish to have them involved in -- you simply have to tell us.

[redacted] turned back to [redacted] He said that he is certain that [redacted] has not been profiteering, but instead has been working sincerely but, he [redacted] is a simple man and he could not continue on with this complex relationship.

North said we tend to believe this. "Sam, here, has often talked with [redacted] and there is always inconsistency between what he says and what Gorba claims."

[redacted]

North said that we are concerned that the Soviets not become aware of any U.S. Government or Iranian Government relationship. "In Tehran, we recommended that we set-up a secure communication station and this would require us to send two of our men to Tehran to man and operate the station. This would give us good secure communications and would thwart the KGB. We are very concerned about KGB efforts to penetrate any relationship we might establish with the Government of Iran. The Iranian idea for a joint committee elsewhere seems to be a good idea, in principle. Meeting somewhere in Europe is probably the way in which we should proceed to manage this beginning relationship. The problem is that we have to set up some place where it won't be penetrated by the KGB. We are very concerned about communications and the Soviets' ability to intercept."

[redacted] responded that he agreed about the KGB and would like to use a single courier from Iran to Frankfurt via Iran Air from now on until secure communications could be established.

North asked [redacted] if he wants [redacted] on this joint committee?

[redacted] said, "Yes, but only for logisitical purposes. I want to give more thought to [redacted] and how he can work with Hakim." With respect to Ghorbanifar, [redacted] said they want to get him out of the loop as soon as they can. He's been profiteering and people in Iran fear that they will be accused of being profiteers.

North responded that Ghorbanifar has some strong Tehran connections that we know of and this remains a problem that needs to be solved. [redacted] said that our recent contacts with [redacted] have

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been very well handled [redacted] With respect to the hostage issue, he wants to get it resolved as quickly as possible and he is confident that they can resolve it. He said that Iran wants to make this a full exchange. For instance, "we have in mind to give you fellows T-72 tank, for example."

North again expressed concern about security and about Ghorbanifar in particular. North also stated that we believe that the oil market is naturally depressed and there is certainly no collusion between ourselves and the Saudis or others to keep prices low, but he agreed that the U.S. and Iran have similar interests with respect to oil.

[redacted] returned then to the subject of Buckley. [redacted] He said that he wanted to assure us that Buckley was not killed; that he died of natural causes; that he had three heart attacks. He also assured that he had been told that the others are all in good shape. He said that there are video tapes of them recently, talking for 20 minutes each and that these will be distributed to news agencies. [redacted] also said that there was one letter sent out.

North confirmed that one of the hostage relatives received a letter within a day or so of it being written. North then said that we want all the hostages out [redacted]

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At 1800 hours, the first session ended with a short break and then Albert Hakim and [redacted] joined the group. After being joined by the others, [redacted] then said that he was growing tired and asked General Secord to read off the list of Iranian needs which were headed up first by intelligence exchange. [redacted] North reviewed the list of logistics support items being requested and responded that, in principle, to the extent that items are available either here or elsewhere there isn't a particular problem. "But as we emphasized to [redacted] in Tehran, we think that you might be thinking too small. People preparing lists are only thinking of the very short-term. We, the U.S., look at two million Iranians without homes; half the oil production facilities knocked out; yesterday's attack on Kharg Island, for instance, is a good example; medical supplies being in great shortage, even shortages of food; and so on. We think that the Iranian planners should be talking to us about other than simple weapons requests. [redacted] The United States is interested in helping stop the killing and to provide for an adequate defense. We cannot just do these things willy-nilly. For example: 10,000 175mm RAP rounds is not a

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whose office?

reasonabl [redacted] ber of items and it would
take a lo that we have that many in
inventory. to go $5M worth of HAWK
spare part . you need technical
assistance is who are adequately
trained, a re useless and just
exacerbate hy the President agreed
to the TOW e been shipped so far, is
because th Iraq and the Soviets as
well. Aga l. For example, we have
offered to rough Albert Hakim's
organizati uppliers could be more
valuable pe than all the artillery ammunition we could
send."

"The authorities recognize the need for technical assistance. This was pointed out by General Secord in the Brussels' discussions and we should understand that they really inherited nothing from the Shah in the way of an army. The army was disorganized and very disarrayed. The lower echelon officers, as well as the higher echelon officers, were worth very little. They picked the first steps in this war with the army of the people, the revolutionary guards." He recalled earlier that in a meeting with [redacted] some of the military officers said that they had to have one tank for every Iraqi tank, one plane for every Iraqi plane. "This was not practical and, therefore, over time it was decided that the Iranian revolutionary guard, the army of the people, would be used to repell the enemy. Since then, of course, it has become more technological in nature and there are minimum levels of technological assistance and equipment we badly need and the United States can be very helpful in providing these. Therefore, they are looking forward to trying to establish a decent relationship on a secret basis at first."

At 2015, it was agreed to stop for the day and reconvene on Saturday, September 20, for further discussions.

The session continued on September 20, at 0935 hours in an office near the Sheraton Tysons' Hotel, where [redacted] was staying. Present for the U.S. side were Oliver North, Sam O'Neill, and R. Secord. Only [redacted] represented the Iranian side during these initial discussions.

North opened the session by saying that he would like to make some comments about the logistics support items on the list [redacted] had provided the day before. "We would like the leadership of Iran to know that President Reagan is aware that the Iranians have immediate needs; that, while we are sympathetic, we're not just interested in being simply an arms dealer; that we are

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interested in helping the immediate defensive needs in such a way that Iran does not lose the war. We also want to help you with some immediate domestic requirements and we want to help you end the war honorably. The President is willing to play whatever role necessary to help end the war in an honorable fashion."

[redacted] said that perhaps we need a secret exchange of letters between our leaders and he will address this upon return to Tehran. [redacted] stated that after we establish a basis for a relationship, all problems can be addressed. He said that he is completely in agreement with the point about not relying on the arms dealers or other non-official entities. On immediate needs, he could right now order the money to be paid for any of the items that might be available. He said that he could even get the money by telephone.

North said that we believe that this has to done in absolute secrecy.

[redacted] interrupted describing the difficulty of conducting discussions in Tehran. For example, there are three different groups that usually have to be consulted. Also in preparing for the coming offensive, they have shortages in some of the equipments and these are the ones that are mentioned in his list [redacted] With respect to finances since we don't have a formal relationship, we have to do these transactions in a very secret fashion and since our laws are very specific, we have to have payment before delivery of any hardware.

At this point, [redacted] requested that the entire group meet and [redacted] [redacted] and Albert Hakim joined the meeting.

North then stated again that we are trying to get past the issue of the hostages and, in the past, to show our good faith, we have moved certain items to Iran. We are also trying to do things with secrecy. We understand that with normal relations it's going to take time.

Secrecy takes longer and it costs more. With Ghorbanifar and [redacted] we have had a lengthy debate about prices for HAWK spare parts, with [redacted] claiming that we have charged six

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times more than the microfische prices which he has discovered somewhere. "This has caused great of difficulty for us. [redacted] has misinterpretated the microfische. We've traced it back to its origins; it's not relevant. But communicating adequately has been next to impossible." Then North gave a short description of how U.S. military equipment is priced; manufacturers' prices; prices to our own forces; prices to allies; and the impact on overall price for the different modes of transfer. North closed by noting that the President has authorized the transfer of a number of TOWs and some HAWK missile parts in connection with this relationship. "In order to maintain secrecy, we have to sanitize the equipment; that is to remove all the original identifying markings and then we have to ship these items through a circuitous route and Israel, as you know, has been involved in this in the past. Thus, not only the time but also the price goes up when using such a complex method to procure and deliver such items." If it is helpful in getting past this obstacle of the hostages, we are prepared to go forward as requested by [redacted] if your leadership is ready. We are prepared to go forward with those items which are already prepared for shipment, i.e., additional HAWK missile spares and TOWs and with prices that are well understood in advance."

A discussion of the pricing then ensued and the price list was given to [redacted] which he said he understood and so did [redacted] North then noted that we needed to get rid of the hostage issue as soon as possible so that we could proceed on and establish a relationship which we both recognized as necessary and in the interest of both countries. "We recognize that the influence of Iran is indirect in many cases with the groups in Lebanon and we understand it is a difficult issue. We have offered in the past to give Iran credit as a humanitarian gesture if Iran wants this credit. It's an important point and we have to get past it. I want to tell you that with respect to the issue of the Da'wa prisoners held in Kuwait, we cannot go back to the Government of Kuwait on this issue. But I believe that the Government of Kuwait is prepared to release prisoners in a phased way if the Government of Iran goes privately to Kuwait and promises them no terrorism. This seems reasonable -- you should do it. I've been told to reassure the Government of Iran, moreover, that the U.S. citizen, John Pattis, has never been an employee of the United States Government. We did talk to him quite openly, as we talk to many travellers, but he is not a spy and he's not employee of the CIA and he's never employeed by the Government of the United States."

A short break was then taken and the meeting reconvened without [redacted] and without Hakim at 1525 hours.

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North pointed out that in regard to [redacted] list of equipment, "most of these items would have to come by ship because they are very big and heavy and only a few could come by aircraft." We need to exchange intelligence by courier. [redacted] We need some time to work this up, but we can do it and would be willing to do it if we can come to some understanding with the Government of Iran. [redacted] And, two, the Soviet propaganda organs would publicize our activities and cause great difficulties for both sides. We understand that you're prepared to go ahead and make transfers of money immediately in order to start shipment; but the U.S. is much more interested in doing it right than in doing it too fast."

[redacted] then stated that trying to get close to Western governments has created certain problems for his group in Tehran. [redacted]

North then stated that we have differences, great differences here. "The situations are not the same. Our President is not running for re-election, as you know. There are two years left in his term and he is sincerely interested in changing the course of history with the U.S.-Iranian relations. He has close advisors and aides, who have seen much of war, and they want to see the war out there ended. There is no effect whatever on American elections, and these hostage issues, as you can see, seldom even make the newspapers. Ronald Reagan would like to end this Iran-Iraq war and you might remember that we talked last night about the United States had a long history of acting as a peacemaker. The United States always has great concern for the suffering of people and we know of the impact of this war overall on Iran."

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[redacted] Iran also wants an honorable peace. In return, he expects that Iran will designate three very senior people to go to joint committee meetings. "We could have this joint committee meetings, if you want, by sending a letter to us [redacted]. We could also always meet under the cover of a UN meeting. I guarantee you one thing though that I will look into this matter of help to Nicaragua immediately; and, if there is such a thing going on, I will stop it immediately. Again I say I will only use a courier until we can establish secure communications -- until we can set-up these committee meetings." After the meeting, he wanted Secord to be available to talk to him some more. He states further that he will be giving a weekly report on the conditions of the hostages and is now certain that he can bring enough pressure to bear to get them released. He will give us at least two days warning before they're released. He hoped that the U.S. can play a predominant role in achieving a peace in Lebanon. "Iran agrees completely with respect to an honorable peace with Iraq; however, Sadam Hussein must go from the Iranian point of view." He knows that it is not our policy, but he knows that we can bring our influence to bear with certain friendly Arab nations and it is "within the power of the Arab nations to get rid of Sadam Hussein." [redacted]

At this point, at 1730 hours, we agreed to summarize the two days of meetings. [redacted] stated that he wanted to:

"A. Take steps to form a small staff in Tehran for this project.

B. Make instructions for the transfers of monies after lists are checked and agreed to.

C. Inform his leadership about the Voice of America.

D. Clear the way for the release and form a game plan for the hostages.

E. As soon as possible, have a joint committee meeting which he, [redacted] would attend. And, hopefully within a week or ten days, this could be arranged."

North interjected that he agreed with this summary, but that added the point about the Da'wa hostages and Kuwait and Kuwait's desire for a guarantee against terrorism. [redacted] took note of this

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as well. [redacted] closed the session by stating his great appreciation for the hospitality which had been showed by him and North and by all concerned. And, then agreed to establish a brief, very, very brief, ops code for use on the telephone -- simply for the purpose of establishing a place and time of meeting for the joint committee meeting. The meeting ended at 1800 hour.

Comment: During several asides with [redacted], Sam's perception of [redacted] estimate of the two days of discussions is that while [redacted] and we both thought considerable progress was made, [redacted] wanted to discuss the results of the meetings in Washington with responsible officials in Tehran before recommending specific actions and steps be taken. Specific proposals will come at the next meeting with [redacted] and, being Iranian, they will probably be gaged to further tests and assess our sincerity,

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Chapter 14
Footnotes 170-172
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176 189
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13 November 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Status of Frankfurt Meeting Tapes

TO: Charles Allen, NIO for Counterterrorism

1. The transcripts for tapes 12 and 13, of the total of 16 received, are attached.

2. The remaining segments of the transcription will be forwarded upon completion.

[redacted]

14-170 to 172

Partially Declassified/Released on 1/26/88
under provisions of E.O. 12356
by [illegible] National Security Council

[redacted]

Declassify On: Originating Agency's Determination Required

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Partially Declassified/Released on [illegible] 373
under provisions of E.O. 12356
by B. Reger, National Security Council

(T A P E 12)

((TAPE BEGINS WITH HAKIM AND [redacted] TALKING QUIETLY TOGETHER AT TIMES, EVEN WHISPERING. ONLY A FEW PHRASES COULD BE HEARD. AT ONE POINT HAKIM SAYS, "THESE PEOPLE THINK THAT THEY ARE TALKING WITH ONE INTEGRATED GROUP, SO THAT IF YOU SAID ANYTHING IN FRONT OF [redacted] WHEN HE WAS THERE, THEY DON'T HAVE TO REPEAT IT ALL TO YOU THE NEXT TIME." THEN U.S. PARTIES ENTER THE ROOM AND SEVERAL CONVERSATIONS ARE TAKING PLACE SIMULTANEOUSLY. THEN TALKS RESUME.))

SECORD: BEFORE YOU GO TO THIS ?INTEL?, MAY I ADDRESS THIS LIST? I'M GOING TO ADDRESS THIS LIST. THERE ARE SOME TERRIFIC PRACTICAL PROBLEMS HERE. THERE ARE A COUPLE OF REAL, AS OPPOSED TO PHILOSOPHICAL, PROBLEMS WITH THIS LIST.

HAKIM: ((INTERPRETS))

SECORD: THE FIRST IS POLITICAL.

([redacted] LEAVES THE ROOM AT THIS POINT ?TO GO TO BATHROOM? AND U.S. NEGOTIATORS DISCUSS STRATEGY WITH HAKIM. PROBLEMS WITH ITEMS ON IRANIAN SHOPPING LIST. THEN [redacted] COMES BACK IN THE ROOM.))

SECORD: THE FIRST PROBLEM IS POLITICAL. BASED UPON PREVIOUS OFFICIAL REQUESTS OF THE IRANIAN GOVERNMENT, I.E. [redacted] AND VERIFIED, AND I WOULD UNDERLINE, DESPERATE REQUESTS FROM HIM, FOR TOWS, FOR HAWK PARTS AND FOR HIGH POWERED RADARS, WE HAVE ACHIEVED PRESIDENTIAL AUTHORITY FOR IMMEDIATE AIR DELIVERY OF THOSE ITEMS.

HAKIM: ((INTERPRETS))

SECORD: [redacted] CAN DENY THIS OR NOT DENY THIS. IT IS IRRELEVANT. WE HAVE DOCUMENTARY PROOF. IT'S NOT EVEN WORTH DISCUSSING.

HAKIM: ((INTERPRETS))

SECORD: AND THE PRESIDENT OF THE U.S. HAS APPROVED A SECRET OPERATION TO DELIVER THESE ITEMS IMMEDIATELY, AND WE WOULD HAVE ALREADY DELIVERED THEM EXCEPT THAT WE WERE ASKED TO HOLD UP SO THAT WE COULD HAVE THESE HIGHER LEVEL DISCUSSIONS.

HAKIM: ((INTERPRETS))

SECORD: WHICH SEEMED REASONABLE TO US, AND GOOD, BECAUSE WE WANTED TO HAVE A MORE RELIABLE NATIONAL SYSTEM FOR DISCUSSIONS.

HAKIM: ((INTERPRETS))

SECORD: WE ALSO, I HOPE, MADE CLEAR TO [redacted] IN WASHINGTON THAT WE DON'T REGARD THESE ITEMS BY THEMSELVES AS BEING PARTICULARLY DIFFICULT TO ACQUIRE. SOME OF THE LARGE NUMBERS, FOR INSTANCE, 10 THOUSAND [illegible] ROUNDS WOULD TAKE A LONG TIME.

HAKIM: ((INTERPRETS))

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SECORD: AND IF YOU TELL US THAT WHEN WE DELIVER THESE FIRST AIRPLANE LOADS THAT OUR HOSTAGES ARE GOING TO BE RELEASED, WE WILL START PRICING THESE AND GOING FOR POLITICAL AUTHORITY, AND GETTING ((FEW WORDS MISSED)). BUT WE CAN'T DARE GO OUT AND START DOING SOMETHING LIKE THIS UNTIL WE HAVE THE POLITICAL SUCCESS BEHIND US.

HAKIM: ((INTERPRETS, BUT HIS INTERPRETATION DIFFERS SOMEWHAT. HE SAID, IN PERSIAN)) THIS IS STILL PART OF THE POLITICAL PROBLEM. HE SAYS THAT WHEN WE ARE SURE THAT THE MATTER OF THE HOSTAGES HAS BEEN RESOLVED AND WE HAVE PUT THIS PROBLEM BEHIND US. ((INTERRUPTED BY KNOCK ON DOOR.))

SECORD: WE WOULD LOSE OUR SECRECY.

[redacted] WHEN YOU SAY THE ITEMS ARE NOT DIFFICULT TO OBTAIN. ((FEW WORDS MISSED))

HAKIM: ((IN PERSIAN)) IF YOU LOOK AT THESE ITEMS INDIVIDUALLY, IT IS NOT DIFFICULT TO OBTAIN THEM, BUT JUST TO TAKE THE FIRST STEP, TO ((FEW WORDS UNCLEAR)) ETC., IT IS NECESSARY TO ELIMINATE THIS POLITICAL PROBLEM. WE DO NOT DARE TO START STIR THINGS UP BY GETTING PRICES, ETC..... ((THEN, IN ENGLISH TO THE U.S. SIDE)) IF I MAY, AT THIS TIME, I FIND IT APPROPRIATE TO EXPLAIN TO HIM WHY THIS IS DIFFICULT TO START WITHOUT POLITICAL SUPPORT AND ADD WHAT YOU TOLD ME EARLIER.

NORTH: LET ME, OKAY? EVERYTHING THAT THE GENERAL SAID IS ENTIRELY ACCURATE. WHEN WE LOOKED AT THIS LIST, WE ESTIMATED THAT, EXCLUDING THESE TWO ITEMS, THE HAWK AND THE TOWS, WE ARE LOOKING AT A MINIMUM OF FOUR SHIPLOADS OF EQUIPMENT.

HAKIM: ((INTERPRETS))

NORTH: THOUSANDS OF PEOPLE IN THE U.S., AT A MINIMUM, WOULD KNOW ABOUT THAT.

HAKIM: ((INTERPRETS))

NORTH: IF WE ARE GOING TO DO SOMETHING LIKE THIS, IT HAS TO BE VERY CLEAR THAT WE ARE DOING THIS BECAUSE WE ARE WORKING FOR A MILITARY BALANCE IN THE REGION AND A POLITICAL SOLUTION, AND HONORABLE SOLUTION TO THE IRAN-IRAQ WAR.

HAKIM: ((INTERPRETS)) ((BUT SAYS "THE WORLD MUST UNDERSTAND THAT WE ARE EMBARKING ON A COURSE TO CREATE A BALANCE OF POWER. THAT MUST BE THE UNDERSTANDING THAT THE WORLD HAS."))

NORTH: IN ORDER FOR US TO BE SEEN AS TAKING A POLITICAL ROLE IN ACHIEVING A BALANCE IN THE MILITARY SITUATION, OUR JUSTIFICATION FOR THAT, WE MUST BE ABLE TO TELL OTHER PEOPLE, TO INCLUDE OUR OWN PEOPLE, THAT WE ARE CARRYING ON A DIALOGUE WITH THE GOVERNMENT OF IRAN.

HAKIM: ((INTERPRETS))

NORTH: IN ORDER FOR US TO CARRY ON A DIALOGUE WITH THE GOVERNMENT OF IRAN THAT IS POLITICALLY ACCEPTABLE TO OUR PEOPLE, WE MUST HAVE TAKEN THAT ROCK IN THE ROAD, THAT OBSTACLE, AND PUT IT BEHIND US.

HAKIM: ((INTERPRETS, BUT SPELLS OUT FOR THE IRANIANS THAT THE "ROCK IN THE ROAD" IS A REFERENCE TO THE HOSTAGES.))

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ORTH: THAT SATURDAY WHEN [redacted] WAS IN WASHINGTON, AND I FLEW UP TO CAMP DAVID TO TALK TO THE PRESIDENT, AND I SHOWED HIM THE LIST, AND HE SAID, "WHY ARE YOU THINKING SO SMALL?"

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AKIM: ((INTERPRETS))

ORTH: HE TOOK THE LIST, THAT LIST RIGHT THERE, AND HE WENT LIKE THIS WITH IT--I WAS SITTING ACROSS THE TABLE--AND HE SAID, "FOR SOMEONE WHO HAS SEEN SO MUCH WAR AS YOU HAVE, NORTH, YOU SHOULD UNDERSTAND THAT I WANT TO END THAT WAR ON TERMS THAT ARE ACCEPTABLE TO IRAN."

AKIM: ((INTERPRETS))

ORTH: "...I DON'T WANT TO SIMPLY HELP GO OUT AND KILL MORE IRANIAN YOUNGSTERS. WHAT ABOUT THE 2 MILLION PEOPLE WITHOUT HOMES? WHAT ABOUT THE OIL INDUSTRY WHICH IS ALREADY IN RUINS? WHAT ABOUT THE INDUSTRIAL BASE OF IRAN WHICH IS BEING DESTROYED? STOP COMING IN AND LOOKING LIKE A GUN MERCHANT." AND HE BANGED ON THE TABLE. "I WANT TO END THE WAR."

AKIM: ((INTERPRETS))

ORTH: AND EVERYTIME WE GET TO THE POINT WHERE WE CAN ACT IN THAT REGARD, WE FIND THIS OBSTACLE SITTING IN THE MIDDLE OF THE ROAD.

AKIM: ((INTERPRETS)) ((ASKS FOR PERMISSION FROM THE U.S. NEGOTIATORS TO TALK WITH [redacted] ABOUT THE ROLE HE IS PLAYING IN THIS.))

AVE: ((INTERPRETS WHAT HAKIM IS SAYING TO [redacted]) FROM THE FIRST DAY, AND IT WASN'T BASED ON YOUR OPINION OR MY OPINION, BUT THE FIRST THING THAT WE HAVE GOT TO GET RID OF IS THE HOSTAGE THING. AFTER A DAY AND A HALF, LOOK WHERE WE ARE.

[redacted]

AKIM: ((INTERPRETS)) I THINK LIKE YOU DO IN THE EVALUATION OF THIS SUBJECT AND ITS SOLUTION.

[redacted]

AKIM: ((INTERPRETS)) AND I ALSO UNDERSTAND THAT THE MAIN PROBLEM IS WHAT YOU JUST DISCUSSED.

[redacted]

AKIM: ((INTERPRETS)) BUT HOW CAN I DEFEAT THE PRESTIGE AND HONOR OF MY COUNTRY WHILE I AM NOT CONVINCED THAT I HAVE SOMETHING IN HAND?

[redacted]

AKIM: ((INTERPRETS)) I SHOULD BE IN A POSITION WHEN I GO BACK AND TELL THE LEADERS OF IRAN THAT I WANT YOU TO PUT AT STAKE YOUR HONOR IN TRADE FOR THIS, WHICH IS THE HONOR OF THE U.S.

[redacted]

AKIM: ((INTERPRETS)) ADD TO THIS THE PROBLEMS THAT WE HAVE IN LEBANON.

[redacted] I WANT TO TELL YOU THAT IF THESE HOSTAGES WERE IN OUR POSSESSION, LIKE THE MATTER OF THE AMERICAN HOSTAGES IN IRAN, (FEW WORDS

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MISSED)) WE WOULD HAVE RESOLVED IT.

HAKIM: ((INTERPRETS)) HE WANTS YOU TO KNOW THAT IF THEY ACTUALLY HAD THEIR HANDS ON THE HOSTAGES IN IRAN ((SIC)) THIS SHOULD HAVE BEEN RESOLVED THE SAME DAY THAT THE OTHER HOSTAGES WERE RELEASED.

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[redacted]

HAKIM: ((INTERPRETS)) AND I WANT YOU TO KNOW THAT EVEN TODAY, AS I'M SITTING HERE, WE DO NOT HAVE A GUARANTEE THAT THE LEBANESE WOULD 100 PERCENT LISTEN TO WHAT WE HAVE TO SAY.

[redacted]

HAKIM: ((INTERPRETS)) WE MUST PUT AT STAKE THE SUBSTANCE THAT WOULD BE EQUAL WITH OUR EXISTANCE.

[redacted]

HAKIM: ((INTERPRETS)) AND YOU KNOW THAT EVEN UP TO THIS DATE, IN CONNECTION WITH THE TEHRAN HOSTAGES WE ARE STILL ((FEW WORDS MISSED)) IN A MESS.

[redacted]

HAKIM: ((INTERPRETS)) THEREFORE, PLEASE UNDERSTAND MY PROBLEM. I CANNOT GO TO IRAN AND SAY FORGET ABOUT THE 500 MILLION DOLLARS IN THE HAGUE ISSUE, AND I DO NOT EXPECT IN THIS MEETING TO RESOLVE THAT.

[redacted]

HAKIM: ((INTERPRETS)) AND HE IS BEING CONTINUOUSLY REMINDED THAT IN A CASE THAT THERE WERE NO OTHER PARTIES INVOLVED, IF IT WAS ONLY IRAN AND THE U.S., THIS ((FEW WORDS MISSED)) STILL BE A MESS IN THE HAGUE. HOW THE SITUATION WOULD BE IF THERE WERE OTHER ELEMENTS INVOLVED.

[redacted]

HAKIM: ((INTERPRETS)) WE MUST UNDERSTAND WHAT MY ROLE IS. I HAVE TO GAIN THE IRANIAN CONFIDENCE AND THE LEBANESE CONFIDENCE.

[redacted]

HAKIM: ((INTERPRETS)) PLEASE SHOW ME THE WAY.

NORTH: LET ME GIVE YOU SOME AMPLIFICATION [illegible] FIRST OF ALL, WE HAVE ALREADY, IN AN EFFORT TO SHOW THAT WE ARE SINCERE AND THAT WE REALLY DO WANT TO HAVE [illegible] WITH YOUR GOVERNMENT--AND A RELATIONSHIP--WE HAVE TAKEN THE FOLLOWING STEPS.

HAKIM: ((INTERPRETS))

NORTH: WE SENT [illegible] [redacted] A VERY CLEAR WORD THAT WE WANTED TO TALK DIRECTLY WITH YOU.

HAKIM: ((INTERPRETS))

NORTH: SECONDLY, FOR MORE THAN A YEAR WE HAVE BEEN IN DIALOGUE WITH A MEMBER OF YOUR GOVERNMENT [redacted] TO PROVE TO HIM THAT I WAS WHO I SAID I WAS, SPEAKING FOR THE PRESIDENT OF THE U.S. IN FEBRUARY I

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SAT IN HIS ROOM IN THIS CITY, PICKED UP THE PHONE, AND ORDERED THE DELIVERY OF 500 TOWS, AND 8 HOURS LATER, THEY ARRIVED AT BANDAR ABBAS.

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HAKIM: ((INTERPRETS))

CAVE: ((IN PERSIAN))AND I WAS THREE AND A HALF MILLION DOLLARS IN DEBT TO OUR GOVERNMENT.

NORTH: SINCE THEN, WE HAVE SHIPPED A 1000 MORE TOWS.

HAKIM: ((INTERPRETS))

NORTH: WE DELIVERED ALL OF THE HAWK PARTS THAT HAVE BEEN REQUESTED THAT WE HAD ON HAND.

HAKIM: ((INTERPRETS))

NORTH: ~~THE~~ PRESIDENT SENT TO TEHRAN ONE OF HIS MOST TRUSTED ADVISORS. WHEN [redacted] WAS IN WASHINGTON, HE ASKED FOR A FURTHER SIGN THAT HE COULD TAKE BACK HOME ABOUT OUR SINCERITY.

HAKIM: ((INTERPRETS))

NORTH: HE MENTIONED TWO THINGS SPECIFICALLY. THE VOICE OF AMERICA AND THE HAGUE. THE FOLLOWING FRIDAY, THE EXACT WORDS I TOLD HIM WERE BROADCAST OVER VOICE OF AMERICA.

HAKIM: ((INTERPRETS))

NORTH: WORDS THAT HE AND I HAD AGREED ON. AND, SINCE THEN, TWO BIG CASES IN THE HAGUE HAVE BEEN SETTLED.

HAKIM: ((INTERPRETS))

NORTH: NOW IF YOU THINK THAT LIST OF WEAPONS IS A BIG PROBLEM, YOU OUGHT TO TRY THE HAGUE. OKAY? THAT'S A DIFFICULT PROBLEM. THE CLAIMS TRIBUNAL IS AN EVEN MORE DIFFICULT ISSUE TO WORK THAN THIS.

HAKIM: ((INTERPRETS)) [redacted] DOESN'T SEEM TO KNOW WHAT THE CLAIMS TRIBUNAL IS))

NORTH: THAT IS BECAUSE MOST OF THE CASES IN THE HAGUE ARE PRIVATE COMPANIES WHO HAVE A COURT CASE INVOLVING THE GOVERNMENT OF IRAN.

HAKIM: ((INTERPRETS))

NORTH: THERE IS RELATIVELY LITTLE U.S. GOVERNMENT INVOLVEMENT IN THAT ACTIVITY.

HAKIM: ((INTERPRETS))

NORTH: I SAY THESE THINGS TO YOU BECAUSE, QUITE FRANKLY, WHEN I GO BACK HOME I HAVE THE SAME PROBLEM YOU DO.

HAKIM: ((INTERPRETS))

NORTH: I GO BACK HOME AND I SAY WE NEED TO SHOW OUR GOOD FAITH AGAIN.

HAKIM: ((INTERPRETS))

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ORTH: WHEN I GO BACK AND I SAY, "WELL, ALL WE NEED TO DO IS TO PROVE OUR GOOD FAITH AND IRAN WILL TAKE WHAT WE KNOW TO BE A VERY, VERY DIFFICULT STEP IN THE LEBANON--WE UNDERSTAND THAT. THAT IT IS NOT IRAN WHO HOLDS THE AMERICANS.

AKIM: ((INTERPRETS))

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ORTH: AND THE WAY I PUT IT TO THE PRESIDENT AND TO HIS CLOSEST ADVISORS IS THAT WE ARE HOPING THAT IRAN WILL USE ITS INFLUENCE WITH THOSE IN THE LEBANON TO CAUSE THE RELEASE OF THE AMERICANS AND THE OTHER HOSTAGES.

AKIM: ((INTERPRETS))

ORTH: I HAVE EXPLAINED THAT THAT IS INDEED A VERY DIFFICULT STEP FOR IRAN TO TAKE.

AKIM: ((INTERPRETS))

ORTH. WE RECOGNIZE THAT THOSE WHO HOLD THE HOSTAGES MOST WANT THEIR BRETHREN WHO ARE HELD IN KUWAIT AS CONVICTED TERRORISTS FREED.

AKIM: ((INTERPRETS))

ORTH VERY, VERY PRIVATELY WITH THE KUWAITIS, LAST FRIDAY, WE HELPED TO TRY AND SET THE STAGE FOR THAT KIND OF THING TO HAPPEN IN A DIRECT DIALOGUE BETWEEN IRAN AND KUWAIT.

AKIM: ((INTERPRETS))

ORTH. WE HAVE ASSURED THE KUWAITIS--A VERY, VERY EXPERIENCED FOREIGN MINISTER--THAT THE DAWA PRISONERS ARE THEIR BUSINESS. BUT YOU SHOULD KNOW, VERY, VERY PRIVATELY, THAT WHAT THAT MEANS IS THAT IF THE KUWAITIS DECIDE TO RELEASE THEM OVER SOME LENGTH OF TIME OR FOR SOME RELIGIOUS REASON, THAT WE ARE NOT GOING TO CRITICIZE THEM [redacted]

AKIM: ((INTERPRETS))

A.E. [illegible] IN PERSIAN) AND THIS IS A VERY IMPORTANT DECISION THAT OUR COUNTRY HAS [illegible] BASED ON OUR LAWS.

ORTH NOW, YOU AND I BOTH KNOW THAT THERE ARE RELIGIOUS OCCASIONS THAT CAN BE USED TO RELEASE PRISONERS.

AKIM. ((INTERPRETS))

ORTH: YOU AND I BOTH KNOW WHAT THE KUWAITIS REALLY WANT IN ORDER TO RELEASE THOSE PRISONERS.

AKIM. ((INTERPRETS))

ORTH: AND IT'S VERY SIMPLE. THE KUWAITIS ARE LOOKING FOR ASSURANCE FROM SOMEBODY RESPONSIBLE, SOMEBODY IN AUTHORITY, THAT IF THEY RELEASE THESE PRISONERS OVER A PERIOD OF TIME, THAT THERE WON'T BE ANY MORE ATTACKS ON THE EMIR BY THE DAWA.

[illegible] ((INTERPRETS))

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NORTH: I UNDERSTAND THAT THOSE IN THE LEBANON WHO HOLD OUR AMERICANS AND MANY OF THE OTHER WESTERNERS, ARE LOOKING FOR THAT RELEASE AND HAVE ASKED YOU TO ASSURE IT.

HAKIM: ((INTERPRETS))

NORTH: AND THAT PUTS YOU IN A DIFFICULT POSITION.

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HAKIM: ((INTERPRETS))

NORTH: WHAT I AM SAYING TO YOU IS THAT OUR INTERESTS ARE SO BIG, SO GREAT, AND YET THE REALITY WITHIN OUR SYSTEM IS SUCH THAT WE CANNOT ACT IN A WAY THAT THE AMERICAN PEOPLE WOULDN'T UNDERSTAND.

HAKIM: ((INTERPRETS))

NORTH WHAT WE HAVE DONE IS TRY TO ACT IN A RESPONSIBLE WAY BUT VERY, VERY, DISCREETLY.

HAKIM ((INTERPRETS))

NORTH: WE HAVE TRIED TO REASSURE YOU THAT OUR INTERESTS GO BEYOND THE HOSTAGES, THAT OUR OBJECTIVE IS TO ASSURE THE POLITICAL SOVEREIGNTY AND TERRITORIAL INTEGRITY OF IRAN.

((END OF SIDE A))
((PORTION OF CONVERSATION MISSED IN FLIPPING TAPE))

NORTH: TO DEMONSTRATE OUR SINCERITY IN A NUMBER OF WAYS TO YOUR GOVERNMENT.

HAKIM: ((INTERPRETS))

NORTH: AND TO TAKE THOSE STEPS VERY, VERY, VERY DISCREETLY WITH KUWAIT AND OTHERS THAT GIVES YOU BETTER FREEDOM OF ACTION REGARDING KUWAIT, FOR EXAMPLE.

AKIM: ((INTERPRETS))

ORTH: WE ARE PREPARED TO DO MORE. WE ARE PREPARED RIGHT NOW TO LAY THAT BEFORE YOU VERY, VERY SENSITIVE INTELLIGENCE [redacted] AS THEY WERE ASKED FOR IN WASHINGTON.

AKIM: ((INTERPRETS))

ORTH: TO OBTAIN THE [redacted] IN SUCH A WAY THAT WE WILL NOT BE KNOWN TO HAVE GIVEN THEM TO YOU.

AKIM: ((INTERPRETS))

ORTH: AND TO PROVIDE VERY, VERY QUICKLY ADDITIONAL DEFENSIVE EQUIPMENT. I'M NOT GOING TO LIE TO YOU. THE HOSTAGE ISSUE IS AN EXPLOSIVE OBSTACLE, LIKE A MINE IN THE ROAD.

AKIM: ((INTERPRETS))

ORTH: IF ALL OF WHAT WE ARE DOING AND PLAN TO DO BECOMES KNOWN [redacted] IT IS IMPORTANT THAT WE HAVE THAT ISSUE BEHIND US.

AKIM: ((INTERPRETS))

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CAVE: I HAVE A POINT TO MAKE ABOUT THIS LIST THAT I DON'T KNOW IF THE GENERAL MADE THAT IS VERY IMPORTANT FROM MY RESPONSE FOR GETTING THIS STUFF, - THAT I THINK THAT HE SHOULD BE AWARE OF THAT THE MATERIAL THAT WE HAVE SHIPPED, THE TOW MISSILES, ARE EXPENDABLES; AND THEY ARE EXPENDABLES IN THE NATURE OF WHICH THERE IS REGULAR MANUFACTURING LOTS PRODUCED BECAUSE THEY ARE IN SUCH WIDE USE, SO THAT IT IS VERY EASY FOR US TO OBTAIN THEM. I CAN GO DOWN THIS LIST AND POINT OUT TO HIM THAT THE PROBLEM WE HAVE WITH THE HOWITZERS IS THE TIME LAG THAT IT IS GOING TO TAKE, BECAUSE TO GET 500 BARRELS IF WE DO IT ALL FROM AMERICAN SOURCE, 100 TOWED HOWITZERS PLUS 500 BARRELS, THEY'RE GOING TO HAVE TO OPEN UP A PRODUCTION LINE.

SECORD: YOU WOULD UNDOUBTEDLY, AND WE SAID THIS IN WASHINGTON, LOOK AT THE WORLD-WIDE FRIENDLY ((?INTERESTS?)) AND VERY SELECTIVELY GO AND BUY THEM.

NORTH: ...GO TELL SOME ALLIED, SOME COUNTRY, THAT WE WILL LOOK THE OTHER WAY...

CAVE: BUT EVEN IN A SINGLE COUNTRY THEY WOULD HAVE TO OPEN A PRODUCTION LINE.

SECORD: WE MIGHT GO TO THIS COUNTRY, THAT COUNTRY, AND EITHER PROCURE THEM FOR THEM OR LOOK THE OTHER WAY AND LET THEM PROVIDE AT LEAST A PORTION OF THEM.

CAVE: ((SPEAKING NOW TO THE IRANIANS)) THE TOW MISSILES WERE VERY EASY FOR US BECAUSE THEY ARE EXPENDABLES OF WHICH WE MANUFACTURE A LOT. ((EXPLAINS THE ABOVE CONVERSATION))

HAKIM: ((INTERPRETS ALL THE ABOVE))

NORTH: LOOK, ALL OF THIS IS TO SAY THAT ALL OF THIS AND MORE CAN BE DONE, BUT WE NEED TO FIRE PROOF OUR PRESIDENT BY REMOVING THE OBSTACLE.

HAKIM: ((INTERPRETS))

NORTH: IF THAT WERE DONE, AND I THINK THAT WE HAVE BOTH ACTED TO SET THE STAGE FOR THAT TO HAPPEN--IF THE HOSTAGE THING WERE BEHIND US, AND I THINK WE HAVE [illegible] TOGETHER [illegible] TO SET THE STAGE FOR THAT TO HAPPEN.

HAKIM: ((INTERPRETS))

NORTH: WE CAN GO TO A NUMBER OF COUNTRIES AND HAVE THESE THINGS. YOU SEE WE HAVE STOPPED THEM IN THE PAST FROM SHIPPING THEM TO YOU, WHEN WE FOUND OUT THAT THEY WERE [illegible], BECAUSE OF ARMS DEALERS LIKE GHORBANIFAR, WE STOPPED THEM.

HAKIM: ((INTERPRETS))

NORTH: WE CAN STOP STOPPING THEM. LET ME GIVE YOU AN EXAMPLE. MR. GHORBANIFAR AND MR/[redacted] BEEN BUYING WEAPONS FROM OTHER PEOPLE BESIDES US. THERE ARE CERTAIN WEAPONS AND CERTAIN PARTS THAT THEY CAN ONLY GET FROM US.

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HAKIM: ((INTERPRETS))

NORTH: ARMS AND [illegible] OTHER WEAPONS AND PARTS WHICH ARE AVAILABLE FROM OTHER COUNTRIES THAT [illegible] IF WE ALLOW IT TO HAPPEN.

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HAKIM: ((INTERPRETS))

NORTH: FOR EXAMPLE...

HAKIM: AND YOU ARE PREPARED TO DO SO? THAT'S WHAT YOU'RE TELLING US?

NORTH: WELL, IF CERTAIN THINGS HAPPEN FAVORABLY IN OUR DIRECTION, THEY WE ARE PREPARED.

HAKIM: ((INTERPRETS))

[redacted]

HAKIM. ((INTERPRETS)) WHEN YOU SAY "CERTAIN THINGS TO HAPPEN IN OUR FAVOR" ARE YOU REFERRING TO THE HOSTAGES?

NORTH. YES. AND I'M NOT JUST TALKING ABOUT OUR HOSTAGES. I'M TALKING ABOUT THE WESTERN HOSTAGES.

HAKIM: ((INTERPRETS)) ((THEN, TO NORTH)) ??THAT COMPLICATES IT??

NORTH. I KNOW. I UNDERSTAND THAT. THIS IS A COMPLICATED ISSUE. THIS THING RIGHT HERE. LET ME GIVE YOU AN EXAMPLE. THIS PARTICULAR ITEM RIGHT HERE IS MADE IN [redacted]

HAKIM: ((INTERPRETS))

NORTH: BUT THERE ARE [redacted] WHO ARE MISSING IN BEIRUT. THEY ARE MISSING; THEY MAY BE DEAD FOR ALL I KNOW.

HAKIM: ((INTERPRETS))

[redacted] SINCE WHEN?

NORTH: I DON'T HAVE THAT WITH ME. I CAN FIND OUT.

[redacted]

AKIM: ((INTERPRETS)) HE SAYS THAT HE IS HEARING IT FROM YOU FOR THE FIRST TIME; IT IS VERY POSSIBLE THAT YOU ARE KEEPING THEM AS HOSTAGES. ((LAUGHTER))

AKIM: DOES ANYONE KNOW WHERE [redacted] IS?

ORTH: NO. OUT FOR A WALK? WHERE DID HE GO? IS HE LYING DOWN?

AKIM: ((ASKS [redacted] WHERE [redacted] IS)) [illegible] WHERE HE IS

AVE. ((IN PERSIAN)) WHAT'S HER NAME? ((LAUGHTER))

ORTH: WHAT IS IMPORTANT, AND IT IS [illegible] DIFFICULT DUE TO THE WAY ALL OF THIS GOT STARTED, IS THAT WE ACT IN A RESPONSIBLE MANNER, BECAUSE TIME REALLY IS NOT ON OUR SIDE.

AKIM: ((INTERPRETS))

[redacted]

AKIM: ((INTERPRETS)) HE BELIEVES IN WHAT YOU SAY THAT WE OUGHT TO ACT IN A RESPONSIBLE WAY AND HE AGREES. BECAUSE HE BELIEVES IN THAT, TO GO

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AND LIST THE GOOD THINGS THAT THEY HAVE DONE FOR US.

ORTH LET ME MAKE JUST ONE LAST POINT, AND THEN IT'S YOUR TURN. C 382
IT IS ALSO IMPORTANT TO UNDERSTAND THAT OUR APPROACH IS NOT THAT OF [redacted]

AKIM: ((INTERPRETS))

(([redacted] ARRIVES))

ORTH RONALD REAGAN IS GOING TO BE PRESIDENT OF THE U.S. FOR TWO MORE YEARS AND WILL NEVER AGAIN SERVE AS PRESIDENT.

AKIM: ((INTERPRETS))

[redacted] THERE IS MCFARLANE.

ORTH: HE WANTS TO BE PRESIDENT?

[redacted]

AKIM: ((INTERPRETS)) THEY ARE VERY ACTIVE IN TRYING TO MAKE MCFARLANE PRESIDENT. ((LAUGHTER))

ORTH: THAT'S NOT BEYOND REASON. IT COULD HAPPEN. ((CONTINUES WITH PREVIOUS THOUGHT)) THIS PRESIDENT WOULD LIKE TO HAVE--I CAN TELL YOU BECAUSE I'VE LISTENED TO HIM--HIS VISION IS THAT WHEN HE LEAVES OFFICE IN 1989 WE WILL HAVE FULL DIPLOMATIC RELATIONS BETWEEN YOUR COUNTRY AND OURS.

AKIM: ((INTERPRETS))

ORTH HE WOULD LIKE TO BE REMEMBERED AS A MAN WHO HELPED TO BRING PEACE, IF YOU WILL, TO THE CHRISTIAN AND MOSLEM AND JEWISH PEOPLE IN THIS WORLD.

AKIM ((INTERPRETS))

RTH THAT'S WHY HE SELECTED THE VERSE HE DID FROM OUR HOLY BOOK.

KIM: ((INTERPRETS))

RTH IT ISN'T [illegible] SHORT-TERM THING JUST TO GET REELECTED OR TO SOLVE SOME IMMEDI[illegible] PROBLEM, AND THEN FORGET ABOUT IT. HE REALLY HAS A LONG-TERM [illegible]

AKIM ((INTERPRETS))

RTH HE KNOWS THAT SADDAM HUSSEIN IS A ((EXPLETIVE))

KIM: DO YOU WANT ME TO TRANSLATE THAT?

RTH GO AHEAD. THAT'S HIS WORD, NOT MINE.

((JOKING ABOUT THE ABOVE))

RTH THE INFORMATION THAT WE ARE ABOUT TO GIVE YOU WE HAVE NEVER GIVEN TO ANYBODY ELSE. THIS DETAIL [illegible] WAR WITH A COUNTRY WITH WHOM

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WE HAVE DIPLOMATIC RELATIONS

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CAVE: ((INTERPRETS))

NORTH: IF IT BECAME KNOWN WHAT WE ARE GIVING YOU... WHAT WE ARE GIVING YOU SHOWS SOME SIGNIFICANT VULNERABILITIES ON THEIR PART.

CAVE: ((INTERPRETS))

NORTH: IF IT EVER BECAME KNOWN WE HAVE DONE THIS, WE WOULD BE FINISHED IN TERMS OF CREDIBILITY AS LONG AS PRESIDENT REAGAN IS PRESIDENT.

CAVE: ((INTERPRETS))

NORTH: THIS IS EXACTLY WHAT [redacted] ASKED FOR WHEN HE WAS IN WASHINGTON.

CAVE: ((INTERPRETS))

NORTH: THE ONLY DIFFEPENCE IS THAT WE DON'T HAVE IT ON A [redacted]

CAVE: ((INTERPRETS))

NORTH: OKAY. LAST POINT, AND THEN SAM GIVES THE INTELLIGENCE. WE KNOW THAT WE ARE ((WORD MISSED)) WHO KNOWS WHAT [redacted]

CAVE:

[redacted]

CAVE

ORTH

AVE:

ORTH

AVE:

[redacted]

AVE:

RTH

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1 page

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TOTAL

14-173

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Chapter 14
Footnotes 170-172
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13 November 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Status of Frankfurt Meeting Tapes

TO: Charles Allen, NIO for Counterterrorism

1. The transcripts for tapes 12 and 13, of the total of 16 received, are attached.

2. The remaining segments of the transcription will be forwarded upon completion.

[redacted]

14-174 to 176

Partially Declassified/Released on 1/26/88
under provisions of E.O. 12356
by [illegible] National Security Council

[redacted]
Declassify On: Originating Agency's Determination Required

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Partially Declassified/Released on [illegible] 373
under provisions of E.O. 12356
By B. Reger, National Security Council

(T A P E 12)

((TAPE BEGINS WITH HAKIM AND [redacted] TALKING QUIETLY TOGETHER. AT TIMES, EVEN WHISPERING. ONLY A FEW PHRASES COULD BE HEARD. AT ONE POINT HAKIM SAYS, "THESE PEOPLE THINK THAT THEY ARE TALKING WITH ONE INTEGRATED GROUP, SO THAT IF YOU SAID ANYTHING IN FRONT OF [redacted] WHEN HE WAS THERE, THEY DON'T HAVE TO REPEAT IT ALL TO YOU THE NEXT TIME." THEN U.S. PARTIES ENTER THE ROOM AND SEVERAL CONVERSATIONS ARE TAKING PLACE SIMULTANEOUSLY. THEN TALKS RESUME.))

ECCRD: BEFORE YOU GO TO THIS (INTEL?), MAY I ADDRESS THIS LIST? I'M GOING TO ADDRESS THIS LIST. THERE ARE SOME TERRIFIC PRACTICAL PROBLEMS HERE. THERE ARE A COUPLE OF REAL, AS OPPOSED TO PHILOSOPHICAL, PROBLEMS WITH THIS LIST.

HAKIM: ((INTERPRETS))

ECCRD: THE FIRST IS POLITICAL.

([redacted] LEAVES THE ROOM AT THIS POINT (TO GO TO BATHROOM?) AND U.S. NEGOTIATORS DISCUSS STRATEGY WITH HAKIM. PROBLEMS WITH ITEMS ON IRANIAN SHOPPING LIST. THEN [redacted] COMES BACK IN THE ROOM.))

ECCRD: THE FIRST PROBLEM IS POLITICAL. BASED UPON PREVIOUS OFFICIAL REQUESTS OF THE IRANIAN GOVERNMENT, I.E. [redacted] AND VERIFIED, AND I WOULD UNDERLINE, DESPERATE REQUESTS FROM HIM, FOR TOWS, FOR HAWK PARTS AND FOR HIGH POWERED RADARS, WE HAVE ACHIEVED PRESIDENTIAL AUTHORITY FOR IMMEDIATE AIR DELIVERY OF THOSE ITEMS.

HAKIM: ((INTERPRETS))

ECCRD: [redacted] CAN DENY THIS OR NOT DENY THIS. IT IS IRRELEVANT. WE HAVE DOCUMENTARY PROOF. IT'S NOT EVEN WORTH DISCUSSING.

HAKIM: ((INTERPRETS))

ECCRD: AND THE PRESIDENT OF THE U.S. HAS APPROVED A SECRET OPERATION TO DELIVER THESE ITEMS IMMEDIATELY, AND WE WOULD HAVE ALREADY DELIVERED THEM EXCEPT THAT WE WERE ASKED TO HOLD UP SO THAT WE COULD HAVE THESE HIGHER LEVEL DISCUSSIONS.

HAKIM: ((INTERPRETS))

ECCRD: WHICH SEEMED REASONABLE TO US, AND GOOD, BECAUSE WE WANTED TO HAVE A MORE RELIABLE NATIONAL SYSTEM FOR DISCUSSIONS.

HAKIM: ((INTERPRETS))

ECCRD: WE ALSO, I HOPE, MADE CLEAR TO [redacted] IN WASHINGTON THAT WE DON'T REGARD THESE ITEMS BY THEMSELVES AS BEING PARTICULARLY DIFFICULT TO ACQUIRE--EXCEPT IN THE LARGE NUMBERS. FOR INSTANCE, 10 THOUSAND 155 ROUNDS WOULD TAKE A LONG TIME.

HAKIM: ((INTERPRETS))

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SECORD: AND IF YOU TELL US THAT WHEN WE DELIVER THESE FIRST AIRPLANE LOADS THAT OUR HOSTAGES ARE GOING TO BE RELEASED, WE WILL START PRICING THESE AND GOING FOR POLITICAL AUTHORITY, AND GETTING ((FEW WORDS MISSED)). BUT WE CAN'T DARE GO OUT AND START DOING SOMETHING LIKE THIS UNTIL WE HAVE THE POLITICAL SUCCESS BEHIND US.

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HAKIM: ((INTERPRETS, BUT HIS INTERPRETATION DIFFERS SOMEWHAT. HE SAID, IN PERSIAN)) THIS IS STILL PART OF THE POLITICAL PROBLEM. HE SAYS THAT WHEN WE ARE SURE THAT THE MATTER OF THE HOSTAGES HAS BEEN RESOLVED AND WE HAVE PUT THIS PROBLEM BEHIND US. ((INTERRUPTED BY KNOCK ON DOOR.))

ECORD: WE WOULD LOSE OUR SECRECY.

[redacted]: WHEN YOU SAY THE ITEMS ARE NOT DIFFICULT TO OBTAIN. ((FEW WORDS MISSED))

HAKIM: ((IN PERSIAN)) IF YOU LOOK AT THESE ITEMS INDIVIDUALLY, IT IS NOT DIFFICULT TO OBTAIN THEM. BUT JUST TO TAKE THE FIRST STEP, TO ((FEW WORDS UNCLEAR)) ETC., IT IS NECESSARY TO ELIMINATE THIS POLITICAL PROBLEM. WE DO NOT DARE TO START STIR THINGS UP BY GETTING PRICES, ETC..... ((THEN, IN ENGLISH TO THE U.S. SIDE)) IF I MAY, AT THIS TIME, I FIND IT APPROPRIATE TO EXPLAIN TO HIM WHY THIS IS DIFFICULT TO START WITHOUT POLITICAL SUPPORT AND ADD WHAT YOU TOLD ME EARLIER.

NORTH: LET ME, OKAY? EVERYTHING THAT THE GENERAL SAID IS ENTIRELY ACCURATE. WHEN WE LOOKED AT THIS LIST, WE ESTIMATED THAT, EXCLUDING THESE TWO-ITEMS, THE HAWK AND THE TOWS, WE ARE LOOKING AT A MINIMUM OF FOUR SHIPLOADS OF EQUIPMENT.

HAKIM: ((INTERPRETS))

NORTH: THOUSANDS OF PEOPLE IN THE U.S., AT A MINIMUM, WOULD KNOW ABOUT THAT.

HAKIM: ((INTERPRETS))

NORTH: IF WE ARE GOING TO DO SOMETHING LIKE THIS, IT HAS TO BE VERY CLEAR THAT WE ARE DOING THIS BECAUSE WE ARE WORKING FOR A MILITARY BALANCE IN THE REGION AND A POLITICAL SOLUTION, AND HONORABLE SOLUTION TO THE IRAN-IRAQ WAR.

HAKIM: ((INTERPRETS)) ((BUT SAYS "THE WORLD MUST UNDERSTAND THAT WE ARE EMBARKING ON A COURSE TO CREATE A BALANCE OF POWER. THAT MUST BE THE UNDERSTANDING THAT THE WORLD HAS."))

NORTH: IN ORDER FOR US TO BE SEEN AS TAKING A POLITICAL ROLE IN ACHIEVING A BALANCE IN THE MILITARY SITUATION, OUR JUSTIFICATION FOR THAT, WE MUST BE ABLE TO TELL OTHER PEOPLE, TO INCLUDE OUR OWN PEOPLE, THAT WE ARE CARRYING ON A DIALOGUE WITH THE GOVERNMENT OF IRAN.

HAKIM: ((INTERPRETS))

NORTH: IN ORDER FOR US TO CARRY ON A DIALOGUE WITH THE GOVERNMENT OF IRAN THAT IS POLITICALLY ACCEPTABLE TO OUR PEOPLE, WE MUST HAVE TAKEN THAT ROCK IN THE ROAD, THAT OBSTACLE, AND PUT IT BEHIND US.

HAKIM: ((INTERPRETS, IT SPELLS OUT FOR THE IRANIANS THAT THE "ROCK IN THE ROAD" IS A REFERENCE TO THE HOSTAGES.))

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ORTH: THAT SATURDAY WHEN [redacted] WAS IN WASHINGTON. AND I FLEW UP TO CAMP DAVID TO TALK TO THE PRESIDENT. AND I SHOWED HIM THE LIST. AND HE SAID. "WHY ARE YOU THINKING SO SMALL?"

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KIM: ((INTERPRETS))

ORTH: HE TOOK THE LIST. THAT LIST RIGHT THERE. AND HE WENT LIKE THIS WITH IT--I WAS SITTING ACROSS THE TABLE--AND HE SAID. "FOR SOMEONE WHO HAS SEEN SO MUCH WAR AS YOU HAVE. NORTH. YOU SHOULD UNDERSTAND THAT I WANT TO END THAT WAR ON TERMS THAT ARE ACCEPTABLE TO IRAN."

AKIM: ((INTERPRETS))

ORTH: "...I DON'T WANT TO SIMPLY HELP GO OUT AND KILL MORE IRANIAN YOUNGSTERS. WHAT ABOUT THE 2 MILLION PEOPLE WITHOUT HOMES? WHAT ABOUT THE OIL INDUSTRY WHICH IS ALREADY IN RUINS? WHAT ABOUT THE INDUSTRIAL BASE OF IRAN WHICH IS BEING DESTROYED? STOP COMING IN AND LOOKING LIKE A GUN MERCHANT." AND HE BANGED ON THE TABLE. "I WANT TO END THE WAR."

AKIM: ((INTERPRETS))

ORTH: AND EVERYTIME WE GET TO THE POINT WHERE WE CAN ACT IN THAT REGARD. WE FIND THIS OBSTACLE SITTING IN THE MIDDLE OF THE ROAD.

AKIM: ((INTERPRETS)) ((ASKS FOR PERMISSION FROM THE U.S. NEGOTIATORS TO TALK WITH [redacted] ABOUT THE ROLE HE IS PLAYING IN THIS.))

AVE: ((INTERPRETS WHAT HAKIM IS SAYING TO [redacted] FROM THE FIRST DAY. AND IT WASN'T BASED ON YOUR OPINION OR MY OPINION. BUT THE FIRST THING THAT WE HAVE GOT TO GET RID OF IS THE HOSTAGE THING. AFTER A DAY AND A HALF. LOOK WHERE WE ARE.

[redacted]

KIM: ((INTERPRETS)) I THINK LIKE YOU DO IN THE EVALUATION OF THIS SUBJECT AND ITS SOLUTION.

[redacted]

KIM: ((INTERPRETS)) AND I ALSO UNDERSTAND THAT THE MAIN PROBLEM IS WHAT YOU JUST DISCUSSED.

[redacted]

KIM: ((INTERPRETS)) BUT HOW CAN I DEFEAT THE PRESTIGE AND HONOR OF MY COUNTRY WHILE I AM NOT CONVINCED THAT I HAVE SOMETHING IN HAND?

[redacted]

KIM: ((INTERPRETS)) I SHOULD BE IN A POSITION WHEN I GO BACK AND TELL THE LEADERS OF IRAN THAT I WANT YOU TO PUT AT STAKE YOUR HONOR IN TRADE FOR THIS, WHICH IS THE HONOR OF THE U.S.

[redacted]

KIM: ((INTERPRETS)) ADD TO THIS THE PROBLEMS THAT WE HAVE IN LEBANON

[redacted] I WANT TO TELL YOU THAT IF THESE HOSTAGES WERE IN OUR POSSESSION, LIKE THE MATTER OF THE AMERICAN HOSTAGES IN IRAN ((FEW WORDS

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MISSED)) WE WOULD HAVE RESOLVED IT.

HAKIM: ((INTERPRETS)) HE WANTS YOU TO KNOW THAT IF THEY ACTUALLY HAD THEIR HANDS ON THE HOSTAGES IN IRAN ((SIC)) THIS SHOULD HAVE BEEN RESOLVED THE SAME DAY THAT THE OTHER HOSTAGES WERE RELEASED.

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[redacted]

HAKIM: ((INTERPRETS)) AND I WANT YOU TO KNOW THAT EVEN TODAY, AS I'M SITTING HERE, WE DO NOT HAVE A GUARANTEE THAT THE LEBANESE WOULD 100 PERCENT LISTEN TO WHAT WE HAVE TO SAY.

[redacted]

HAKIM: ((INTERPRETS)) WE MUST PUT AT STAKE THE SUBSTANCE THAT WOULD BE EQUAL WITH OUR EXISTANCE.

[redacted]

HAKIM: ((INTERPRETS)) AND YOU KNOW THAT EVEN UP TO THIS DATE, IN CONNECTION WITH THE TEHRAN HOSTAGES WE ARE STILL ((FEW WORDS MISSED)) IN A MESS.

[redacted]

HAKIM: ((INTERPRETS)) THEREFORE, PLEASE UNDERSTAND MY PROBLEM. I CANNOT GO TO IRAN AND SAY FORGET ABOUT THE 500-MILLION DOLLARS IN THE HAGUE ISSUE. AND I DO NOT EXPECT IN THIS MEETING TO RESOLVE THAT.

[redacted]

HAKIM: ((INTERPRETS)) AND HE IS BEING CONTINUOUSLY REMINDED THAT IN A CASE THAT THERE WERE NO OTHER PARTIES INVOLVED, IF IT WAS ONLY IRAN AND THE U.S., THIS ((FEW WORDS MISSED)) STILL BE A MESS IN THE HAGUE. HOW THE SITUATION WOULD BE IF THERE WERE OTHER ELEMENTS INVOLVED

[redacted]

HAKIM: ((INTERPRETS)) WE MUST UNDERSTAND WHAT MY ROLE IS. I HAVE TO GAIN THE IRANIAN CONFIDENCE AND THE LEBANESE CONFIDENCE.

[redacted]

HAKIM: ((INTERPRETS)) PLEASE SHOW ME THE WAY

[illegible]TH: LET ME GIVE YOU SOME [illegible] FOR YOUR [illegible]. FIRST OF ALL, WE HAVE ALREADY, IN AN EFFORT TO SHOW THAT WE ARE SINCERE AND THAT WE REALLY DO WANT TO HAVE [illegible] WITH YOUR GOVERNMENT--AND A RELATIONSHIP--WE HAVE TAKEN THE FOLLOWING STEPS

HAKIM: ((INTERPRETS

[illegible]TH: WE SENT [illegible] [redacted] A VERY CLEAR WORD THAT WE WANTED TO TALK DIRECTLY WITH YOU

HAKIM: ((INTERPRETS))

[illegible]TH: SECOND, [illegible] THAN [illegible] WE HAVE BEEN IN DIALOGUE WITH A MEMBER OF YOUR GOVERNMENT [redacted] TO PROVE TO HIM THAT I WAS WHO I SAID I WAS, SPEAKING FOR THE PRESIDENT OF THE U.S. IN FEBRUARY I

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SAT IN HIS ROOM IN THIS CITY, PICKED UP THE PHONE, AND ORDERED THE DELIVERY OF 500 TOWS, AND 8 HOURS LATER, THEY ARRIVED AT BANDAR ABBAS.

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HAKIM: ((INTERPRETS))

CAVE: ((IN PERSIAN))AND I WAS THREE AND A HALF MILLION DOLLARS IN DEBT TO OUR GOVERNMENT.

NORTH: SINCE THEN, WE HAVE SHIPPED A 1000 MORE TOWS.

HAKIM: ((INTERPRETS))

NORTH: WE DELIVERED ALL OF THE HAWK PARTS THAT HAVE BEEN REQUESTED THAT WE HAD ON HAND.

HAKIM: ((INTERPRETS))

NORTH: ~~THE~~ PRESIDENT SENT TO TEHRAN ONE OF HIS MOST TRUSTED ADVISORS. WHEN [redacted] WAS IN WASHINGTON, HE ASKED FOR A FURTHER SIGN THAT HE COULD TAKE BACK HOME ABOUT OUR SINCERITY.

HAKIM: ((INTERPRETS))

NORTH: HE MENTIONED TWO THINGS SPECIFICALLY. THE VOICE OF AMERICA AND THE HAGUE. THE FOLLOWING FRIDAY, THE EXACT WORDS I TOLD HIM WERE BROADCAST OVER VOICE OF AMERICA.

HAKIM: ((INTERPRETS))

NORTH: WORDS THAT HE AND I HAD AGREED ON. AND, SINCE THEN, TWO BIG CASES IN THE HAGUE HAVE BEEN SETTLED.

HAKIM: ((INTERPRETS))

NORTH: NOW IF YOU THINK THAT LIST OF WEAPONS IS A BIG PROBLEM, YOU OUGHT TO TRY THE HAGUE. OKAY? THAT'S A DIFFICULT PROBLEM. THE CLAIMS TRIBUNAL IS AN EVEN MORE DIFFICULT ISSUE TO WORK THAN THIS.

HAKIM: ((INTERPRETS: [redacted] DOESN'T SEEM TO KNOW WHAT THE CLAIMS TRIBUNAL IS.))

NORTH: THAT IS BECAUSE MOST OF THE CASES IN THE HAGUE ARE PRIVATE COMPANIES WHO HAVE A COURT CASE INVOLVING THE GOVERNMENT OF IRAN.

HAKIM: ((INTERPRETS))

NORTH: THERE IS RELATIVELY LITTLE U.S. GOVERNMENT INVOLVEMENT IN THAT ACTIVITY.

HAKIM: ((INTERPRETS))

NORTH: I SAY THESE THINGS TO YOU BECAUSE, QUITE FRANKLY, WHEN I GO BACK HOME I HAVE THE SAME PROBLEM YOU DO.

HAKIM: ((INTERPRETS))

NORTH: I GO BACK HOME AND I SAY WE NEED TO SHOW OUR GOOD FAITH AGAIN

HAKIM: ((INTERPRETS))

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NORTH: WHEN I GO BACK AND I SAY, "WELL, ALL WE NEED TO DO IS TO PROVE OUR GOOD FAITH AND IRAN WILL TAKE WHAT WE KNOW TO BE A VERY, VERY DIFFICULT STEP IN THE LEBANON--WE UNDERSTAND THAT. THAT IT IS NOT IRAN WHO HOLDS THE AMERICANS.

HAKIM: ((INTERPRETS))

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NORTH: AND THE WAY I PUT IT TO THE PRESIDENT AND TO HIS CLOSEST ADVISORS IS THAT WE ARE HOPING THAT IRAN WILL USE ITS INFLUENCE WITH THOSE IN THE LEBANON TO CAUSE THE RELEASE OF THE AMERICANS AND THE OTHER HOSTAGES.

HAKIM: ((INTERPRETS))

NORTH: I HAVE EXPLAINED THAT THAT IS INDEED A VERY DIFFICULT STEP FOR IRAN TO TAKE.

HAKIM: ((INTERPRETS))

NORTH: WE RECOGNIZE THAT THOSE WHO HOLD THE HOSTAGES MOST WANT THEIR BRETHREN WHO ARE HELD IN KUWAIT AS CONVICTED TERRORISTS FREED.

HAKIM: ((INTERPRETS))

NORTH: VERY, VERY PRIVATELY WITH THE KUWAITIS, LAST FRIDAY, WE HELPED TO TRY AND SET THE STAGE FOR THAT KIND OF THING TO HAPPEN IN A DIRECT DIALOGUE BETWEEN IRAN AND KUWAIT.

HAKIM: ((INTERPRETS))

NORTH: WE HAVE ASSURED THE KUWAITIS--A VERY, VERY EXPERIENCED FOREIGN MINISTER--THAT THE DAWA PRISONERS ARE THEIR BUSINESS. BUT YOU SHOULD KNOW, VERY, VERY PRIVATELY, THAT WHAT THAT MEANS IS THAT IF THE KUWAITIS DECIDE TO RELEASE THEM OVER SOME LENGTH OF TIME OR FOR SOME RELIGIOUS REASON, THAT WE ARE NOT GOING TO CRITICIZE THEM [redacted]

HAKIM: ((INTERPRETS))

A.E.: (IN PERSIAN) AND THIS IS A VERY IMPORTANT DECISION THAT OUR COUNTRY HAS [illegible] BASED ON OUR [illegible]

NORTH: NOW, YOU AND I BOTH KNOW THAT THERE ARE RELIGIOUS OCCASIONS THAT CAN BE USED TO RELEASE PRISONERS.

HAKIM: ((INTERPRETS))

NORTH: YOU AND I BOTH KNOW WHAT THE KUWAITIS REALLY WANT IN ORDER TO RELEASE THE DAWA PRISONERS.

HAKIM: ((INTERPRETS))

NORTH: AND IT'S VERY SIMPLE. THE KUWAITIS ARE LOOKING FOR ASSURANCE FROM SOMEBODY RESPONSIBLE, SOMEONE IN AUTHORITY, THAT IF THEY RELEASE THESE PRISONERS OVER A PERIOD OF TIME THAT THERE WON'T BE ANY MORE ATTACKS ON THE EMIR BY THE DAWA.

HAKIM: ((INTERPRETS))

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NORTH: I UNDERSTAND THAT THOSE IN THE LEBANON WHO HOLD OUR AMERICANS AND MANY OF THE OTHER WESTERNERS, ARE LOOKING FOR THAT RELEASE AND HAVE ASKED YOU TO ASSURE IT.

HAKIM: ((INTERPRETS))

NORTH: AND THAT PUTS YOU IN A DIFFICULT POSITION.

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HAKIM: ((INTERPRETS))

NORTH: WHAT I AM SAYING TO YOU IS THAT OUR INTERESTS ARE SO BIG, SO GREAT, AND YET THE REALITY WITHIN OUR SYSTEM IS SUCH THAT WE CANNOT ACT IN A WAY THAT THE AMERICAN PEOPLE WOULDN'T UNDERSTAND.

HAKIM: ((INTERPRETS))

NORTH WHAT WE HAVE DONE IS TRY TO ACT IN A RESPONSIBLE WAY BUT VERY, VERY, DISCREETLY.

HAKIM: ((INTERPRETS))

NORTH. WE HAVE TRIED TO REASSURE YOU THAT OUR INTERESTS GO BEYOND THE HOSTAGES, THAT OUR OBJECTIVE IS TO ASSURE THE POLITICAL SOVEREIGNTY AND TERRITORIAL INTEGRITY OF IRAN.

((END OF SIDE A))
((PORTION OF CONVERSATION MISSED IN FLIPPING TAPE))

NORTH: TO DEMONSTRATE OUR SINCERITY IN A NUMBER OF WAYS TO YOUR GOVERNMENT.

HAKIM: ((INTERPRETS))

NORTH: AND TO TAKE THOSE STEPS VERY, VERY, VERY DISCREETLY WITH KUWAIT AND OTHERS THAT GIVES YOU BETTER FREEDOM OF ACTION REGARDING KUWAIT, FOR EXAMPLE.

AKIM: ((INTERPRETS))

ORTH WE ARE PREPARED TO DO MORE. WE ARE PREPARED [redacted] BEFORE YOU VERY, VERY SENSITIVE INTELLIGENCE [redacted] S THAT WERE ASKED FOR IN WASHINGTON

AKIM: ((INTERPRETS))

ORTH. TO OBTAIN THE [redacted] IN SUCH A WAY THAT WE WILL NOT BE KNOWN TO HAVE GIVEN THEM TO YOU.

AKIM: ((INTERPRETS))

ORTH AND TO PROVIDE VERY, VERY QUICKLY ADDITIONAL DEFENSIVE EQUIPMENT. I'M NOT GOING TO LIE TO YOU. THE HOSTAGE ISSUE IS AN EXPLOSIVE OBSTACLE, LIKE A MINE IN THE ROAD.

AKIM: ((INTERPRETS))

ORTH: IF ALL OF WHAT WE ARE DOING AND PLAN TO DO BECOMES KNOWN [redacted] IT IS IMPORTANT THAT WE HAVE THAT ISSUE BEHIND US.

AKIM. ((INTERPRETS))

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CAVE: I HAVE A POINT TO MAKE ABOUT THIS LIST THAT I DON'T KNOW IF THE GENERAL MADE THAT IS VERY IMPORTANT FROM MY RESPONSE FOR GETTING THIS STUFF, - THAT I THINK THAT WE SHOULD BE AWARE OF THAT THE MATERIAL THAT WE HAVE SHIPPED, THE TOW MISSILES, ARE EXPENDABLES; AND THEY ARE EXPENDABLES IN THE NATURE OF WHICH THERE IS REGULAR MANUFACTURING LOTS PRODUCED BECAUSE THEY ARE IN SUCH WIDE USE, SO THAT IT IS VERY EASY FOR US TO OBTAIN THEM. I CAN GO DOWN THIS LIST AND POINT OUT TO HIM THAT THE PROBLEM WE HAVE WITH THE HOWITZERS IS THE TIME LAG THAT IT IS GOING TO TAKE, BECAUSE TO GET 500 BARRELS IF WE DO IT ALL FROM AMERICAN SOURCE, 100 TOWED HOWITZERS PLUS 500 BARRELS, THEY'RE GOING TO HAVE TO OPEN UP A PRODUCTION LINE.

SECORD: YOU WOULD UNDOUBTEDLY, AND WE SAID THIS IN WASHINGTON, LOOK AT THE WORLD-WIDE FRIENDLY ((?INTERESTS?)) AND VERY SELECTIVELY GO AND BUY THEM.

NORTH: ...GO TELL SOME ALLIED, SOME COUNTRY, THAT WE WILL LOOK THE OTHER WAY...

CAVE: BUT EVEN IN A SINGLE COUNTRY THEY WOULD HAVE TO OPEN A PRODUCTION LINE.

SECORD: WE MIGHT GO TO THIS COUNTRY, THAT COUNTRY, AND EITHER PROCURE THEM FOR THEM OR LOOK THE OTHER WAY AND LET THEM PROVIDE AT LEAST A PORTION OF THEM.

CAVE: ((SPEAKING NOW TO THE IRANIANS)) THE TOW MISSILES WERE VERY EASY FOR US BECAUSE THEY ARE EXPENDABLES OF WHICH WE MANUFACTURE A LOT. ((EXPLAINS THE ABOVE CONVERSATION))

HAKIM: ((INTERPRETS ALL THE ABOVE))

NORTH: LOOK, ALL OF THIS IS TO SAY THAT ALL OF THIS AND MORE CAN BE DONE. BUT WE NEED TO FIRE PROOF OUR PRESIDENT BY REMOVING THE OBSTACLE.

HAKIM: ((INTERPRETS))

NORTH: IF THAT WERE DONE, AND I THINK THAT WE HAVE BOTH ACTED TO SET THE STAGE FOR THAT TO HAPPEN--IF THE [illegible] THING WERE BEHIND US, AND I THINK WE HAVE ACTED TOGETHER [illegible] TO SET THE STAGE FOR THAT TO HAPPEN

HAKIM: ((INTERPRETS))

NORTH: WE CAN GO TO A NUMBER OF COUNTRIES AND HAVE THESE THINGS. YOU SEE WE HAVE STOPPED THEM IN THE PAST FROM SHIPPING THEM TO YOU, WHEN WE FOUND OUT THAT THEY WERE [illegible] BECAUSE OF ARMS DEALERS LIKE GHORBANIFAR, WE STOPPED THEM.

HAKIM: ((INTERPRETS))

NORTH: WE CAN STOP STOPPING THEM. LET ME GIVE YOU AN EXAMPLE. MR. GHORBANIFAR AND MR/[redacted] [illegible] BUYING WEAPONS FROM OTHER PEOPLE BESIDES US. THERE ARE CERTAIN WEAPONS AND CERTAIN PARTS THAT THEY CAN ONLY GET FROM US.

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HAKIM: ((INTERPRETS))

[illegible]: [illegible] OTHER WEAPONS [illegible] WHICH ARE AVAILABLE FROM [illegible] COUNTRIES THAT [illegible] IF WE ALLOW IT TO HAPPEN.

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HAKIM: ((INTERPRETS))

NORTH: FOR EXAMPLE. . .

HAKIM: AND YOU ARE PREPARED TO DO SO? THAT'S WHAT YOU'RE TELLING US?

NORTH: WELL, IF CERTAIN THINGS HAPPEN FAVORABLY IN OUR DIRECTION, THEY WE ARE PREPARED.

HAKIM: ((INTERPRETS))

[redacted]

HAKIM. ((INTERPRETS)) WHEN YOU SAY "CERTAIN THINGS TO HAPPEN IN OUR FAVOR" ARE YOU REFERRING TO THE HOSTAGES?

NORTH. YES. AND I'M NOT JUST TALKING ABOUT OUR HOSTAGES. I'M TALKING ABOUT THE WESTERN HOSTAGES.

HAKIM: ((INTERPRETS)) ((THEN, TO NORTH)) ??THAT COMPLICATES IT??

NORTH. I KNOW. I UNDERSTAND THAT. THIS IS A COMPLICATED ISSUE. THIS THING RIGHT HERE. LET ME GIVE YOU AN EXAMPLE. THIS PARTICULAR ITEM RIGHT HERE IS MADE IN [redacted]

HAKIM: ((INTERPRETS))

NORTH: BUT THERE ARE [redacted] WHO ARE MISSING IN BEIRUT. THEY ARE MISSING; THEY MAY BE DEAD FOR ALL I KNOW.

HAKIM: ((INTERPRETS))

[redacted] SINCE WHEN?

NORTH: I DON'T HAVE THAT WITH ME. I CAN FIND OUT.

[redacted]

AKIM: ((INTERPRETS)) HE SAYS THAT HE IS HEARING IT FROM YOU FOR THE FIRST TIME; IT IS VERY POSSIBLE THAT YOU ARE KEEPING THEM AS HOSTAGES. ((LAUGHTER))

AKIM: DOES ANYONE KNOW WHERE [redacted] IS?

ORTH: NO. OUT FOR A WALK? WHERE DID HE GO? IS HE LYING DOWN?

AKIM: ((MAYBE [redacted] WHERE [redacted] IS.)) HE KNOWS WHERE HE IS

AVE. ((IN PERSIAN)) WHAT'S HER NAME? ((LAUGHTER))

ORTH: WHAT IS IMPORTANT, AND IT IS RECOGNIZABLY DIFFICULT DUE TO THE WAY ALL OF THIS GOT STARTED, IS THAT WE ACT IN A RESPONSIBLE MANNER, BECAUSE TIME REALLY IS NOT ON OUR SIDE.

AKIM: ((INTERPRETS))

[redacted]

AKIM: ((INTERPRETS)) HE BELIEVES IN WHAT YOU SAY THAT WE OUGHT TO ACT IN A RESPONSIBLE WAY [illegible] PARTIES, BECAUSE HE BELIEVES IN THAT. TO GO

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AND LIST THE GOOD THINGS THAT THEY HAVE DONE FOR US.

ORTH LET ME MAKE JUST ONE LAST POINT, AND THEN IT'S YOUR TURN. IT IS ALSO IMPORTANT TO UNDERSTAND THAT OUR APPROACH IS NOT THAT [redacted]

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AKIM: ((INTERPRETS))

([redacted] ARRIVES))

ORTH RONALD REAGAN IS GOING TO BE PRESIDENT OF THE U.S. FOR TWO MORE YEARS AND WILL NEVER AGAIN SERVE AS PRESIDENT.

AKIM: ((INTERPRETS))

[redacted] THERE IS MCFARLANE.

ORTH: HE WANTS TO BE PRESIDENT?

[redacted]

AKIM: ((INTERPRETS)) THEY ARE VERY ACTIVE IN TRYING TO MAKE MCFARLANE PRESIDENT. ((LAUGHTER))

ORTH: THAT'S NOT BEYOND REASON. IT COULD HAPPEN. ((CONTINUES WITH PREVIOUS THOUGHT)) THIS PRESIDENT WOULD LIKE TO HAVE--I CAN TELL YOU BECAUSE I'VE LISTENED TO HIM--HIS VISION IS THAT WHEN HE LEAVES OFFICE IN 1989 WE WILL HAVE FULL DIPLOMATIC RELATIONS BETWEEN YOUR COUNTRY AND OURS.

AKIM: ((INTERPRETS))

ORTH HE WOULD LIKE TO BE REMEMBERED AS A MAN WHO HELPED TO BRING PEACE, IF YOU WILL, TO THE CHRISTIAN AND MOSLEM AND JEWISH PEOPLE IN THIS WORLD.

AKIM ((INTERPRETS))

ORTH THAT'S WHY HE SELECTED THE VERSE HE DID FROM OUR HOLY BOOK.

AKIM: ((INTERPRETS))

ORTH IT ISN'T WO[illegible]ORT-TERM THING JUST TO GET REELECTED OR TO SOLVE SOME IMMEDI[illegible] PROBLEM, AND THEN FORGET ABOUT IT. HE REALLY HAS A LONG-TERM VI[illegible]

AKIM ((INTERPRETS))

ORTH HE KNOWS THAT SADDAM HUSSEIN IS A ((EXPLETIVE))

AKIM: SO YOU WANT ME TO TRANSLATE THAT?

ORTH GO AHEAD. THAT'S HIS WORD, NOT MINE.

(([illegible] ABOUT THE ABOVE))

ORTH THE INFORMATION THAT WE ARE ABOUT TO GIVE YOU WE HAVE NEVER GIVEN TO ANYBODY ELSE. THIS DETAIL AND [illegible] WITH A COUNTRY WITH WHOM

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WE HAVE DIPLOMATIC RELATIONS

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CAVE: ((INTERPRETS))

NORTH: IF IT BECAME KNOWN WHAT WE ARE GIVING YOU.. WHAT WE ARE GIVING YOU SHOWS SOME SIGNIFICANT VULNERABILITIES ON THEIR PART.

CAVE: ((INTERPRETS))

NORTH: IF IT EVER BECAME KNOWN WE HAVE DONE THIS, WE WOULD BE FINISHED IN TERMS OF CREDIBILITY AS LONG AS PRESIDENT REAGAN IS PRESIDENT.

CAVE: ((INTERPRETS))

NORTH: THIS IS EXACTLY WHAT [redacted] ASKED FOR WHEN HE WAS IN WASHINGTON.

CAVE: ((INTERPRETS))

NORTH: THE ONLY DIFFERENCE IS THAT WE DON'T HAVE IT ON A [redacted]

CAVE: ((INTERPRETS))

NORTH: OKAY. LAST POINT, AND THEN SAM GIVES THE INTELLIGENCE. WE KNOW THAT WE ARE ((WORD MISSED)) WHO KNOWS WHAT [redacted]

CAVE

[redacted]

CAVE

ORTH

AVE:

ORTH

AVE.

[redacted]

AVE.

RTH

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FOR IT POLITICALLY WITHIN YOUR COUNTRY. THE PRESIDENT UNDERSTANDS THAT. OKAY. WE TOLD [redacted] WHEN HE WAS IN OUR COUNTRY THAT WE UNDERSTOOD AND RECOGNIZED THE NEED FOR A PERCEPTIBLE VICTORY FOR THE IRANIAN PEOPLE.

HAKIM ((INTERPRETS FOR [redacted] AS FOLLOWS)) YOU MUST BELIEVE THAT WE UNDERSTAND THAT YOU NEED THIS OFFENSIVE. THE PRESIDENT ALSO UNDERSTANDS. THEY ARE SENSITIVE TO THE DESIRE FOR A VICTORY BY THE IRANIAN PEOPLE. THESE ((FEW WORDS UNCLEAR)) HAVE BEEN SAID REPEATEDLY. WHAT THESE GENTLEMEN ARE SAYING IS NOT THAT YOU SHOULD NOT STAGE AN OFFENSIVE. WHAT THEY ARE SAYING IS ALONG THE LINES OF WHAT YOU SHOULD DO TO REACH YOUR OBJECTIVE. ((FEW WORDS UNCLEAR)) THERE ARE VARIOUS PATHS TO VICTORY. THE COURSE WHICH SHOULD BE CHOSEN CAN BE DISCERNED BETTER IF YOU ((FEW WORDS)) INFORMATION.

NORTH. THE PRESIDENT HAS SAID... AND I SAID THIS TO YOU... AND I FLEW UP TO CAMP DAVID TO TALK TO THE PRESIDENT. AND HE SAID, "I UNDERSTAND WHY WE SHOULD DO EVERYTHING POSSIBLE TO INSURE AN HONORABLE PEACE FOR IRAN."

HAKIM ((INTERPRETS, BUT SAYS "HONORABLE VICTORY" INSTEAD OF "HONORABLE PEACE"))

[redacted] ((IN ENGLISH)) DON'T EXPLAIN THAT PLEASE.

HAKIM. WHY YOU DON'T EXPLAIN TO THEM HOW THEY CAN ACHIEVE VICTORY

NORTH BECAUSE I'M NOT SURE THAT OUR DEFINITIONS OF VICTORY ARE COMPLETELY COMPATIBLE

HAKIM. ((INTERPRETS))

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[redacted]

HAKIM ((INTERPRETS)) HE SAYS HE CANNOT UNDERSTAND WHY YOU CANNOT UNDERSTAND BECAUSE HE SAYS FOR THEM ((FEW WORDS UNCLEAR))

NORTH SADDAM HUSAIN. OKAY. AND I DON'T KNOW QUITE EXACTLY HOW THAT'S ALL GOING TO WORK. OKAY? ONE OF THE THINGS THAT WE WOULD LIKE TO DO IS THAT WE WOULD LIKE TO BECOME ACTIVELY ENGAGED IN ENDING THIS WAR IN SUCH A WAY THAT IT BECOMES VERY EVIDENT TO EVERYBODY THAT THE GUY WHO IS CAUSING THE PROBLEM IS SADDAM HUSAIN

HAKIM ((INTERPRETS))

NORTH RIGHT NOW. [redacted] I JUST LAST FRIDAY TALKED TO THE KUWAITI FOREIGN MINISTER.. I WERE TO TALK TO FIVE. OR IF I WERE TO TALK TO ANY OF THE OTHER LEADERS. THEY WOULDN'T SAY SADDAM HUSAIN IS THE PROBLEM. THEY'D SAY IRAN IS THE PROBLEM

HAKIM ((INTERPRETS))

NORTH WHAT WE'RE TALKING ABOUT IS A PROCESS BY WHICH ALL THE REST OF THE ARAB WORLD COMES VERY QUICKLY TO REALIZE THAT IRAN IS NOT A THREAT TO THEM. IRAN IS NOT GOING TO OVERRUN KUWAIT. IRAN IS NOT GOING TO OVERTHROW THE GOVERNMENT OF SAUDI ARABIA. THAT THE REAL PROBLEM IN PREVENTING PEACE IN THE REGION IS SADDAM HUSAIN. AND THEY WE'LL HAVE TO TAKE CARE OF THAT

HAKIM ((INTERPRETS))

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[redacted] THIS IS THE CONCLUSION THAT YOU HAVE REACHED?

HAKIM ((INTERPRETS AS)) DO YOUR REALLY BELIEVE THIS?

NORTH YES. THE INNER CIRCLE OF OUR GOVERNMENT KNOWS THAT. THEY HAVE COME TO UNDERSTAND THE ONLY THING THAT THREW A WRINKLE IN IT IS THE TWO NEW HOSTAGES.

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HAKIM ((INTERPRETS.))

SECORD LOOK. I WANT TO ADDRESS THIS LIST JUST AS WE DID IN WASHINGTON

(([redacted] AND HAKIM CONFER QUIETLY IN THE BACKGROUND. U.S. NEGOTIATORS TALK PRIVATELY AMONG THEMSELVES. SEVERAL CONVERSATIONS GOING ON A SIMULTANEOUSLY.))

((END OF TAPE 11))

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13 November 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Status of Frankfurt Meeting Tapes

TO: Charles Allen, NIO for Counterterrorism

1. The transcripts for tapes 12 and 13, of the total of 16 received, are attached.

2. The remaining segments of the transcription will be forwarded upon completion.

[redacted]

14-184+185

Partially Declassified/Released on 1/26/88 under provisions of E.O. 12356 by [illegible] National Security Council

[redacted]

Declassify On: Originating Agency's Determination Required

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Partially Declassified/Released on 4/26/88
under provisions of E.O. 12356
by B. Reger, National Security Council

(T A P E 12)

((TAPE BEGINS WITH HAKIM AND [redacted] TALKING QUIETLY TOGETHER AT TIMES, EVEN WHISPERING ONLY A FEW PHRASES COULD BE HEARD AT ONE POINT HAKIM SAYS, "THESE PEOPLE THINK THAT THEY ARE TALKING WITH ONE INTEGRATED GROUP, SO THAT IF YOU SAID ANYTHING IN FRONT OF [redacted] WHEN HE WAS THERE, THEY DON'T HAVE TO REPEAT IT ALL TO YOU THE NEXT TIME " THEN U S PARTIES ENTER THE ROOM AND SEVERAL CONVERSATIONS ARE TAKING PLACE SIMULTANEOUSLY. THEN TALKS RESUME))

SECORD. BEFORE YOU GO TO THIS PINTEL?, MAY I ADDRESS THIS LIST? I'M GOING TO ADDRESS THIS LIST THERE ARE SOME TERRIFIC PRACTICAL PROBLEMS HERE. THERE ARE A COUPLE OF REAL, AS OPPOSED TO PHILOSOPHICAL, PROBLEMS WITH THIS LIST.

HAKIM: ((INTERPRETS))

SECORD: THE FIRST IS POLITICAL.

([redacted] LEAVES THE ROOM AT THIS POINT ?TO GO TO BATHROOM? AND U S NEGOTIATORS DISCUSS STRATEGY WITH HAKIM. PROBLEMS WITH ITEMS ON IRANIAN SHOPPING LIST. THEN [redacted] COMES BACK IN THE ROOM))

SECORD: THE FIRST PROBLEM IS POLITICAL. BASED UPON PREVIOUS OFFICIAL REQUESTS OF THE IRANIAN GOVERNMENT, I.E. [redacted] AND VERIFIED, AND I WOULD UNDERLINE, DESPERATE REQUESTS FROM HIM, FOR TOWS FOR HAWK PARTS AND FOR HIGH POWERED RADARS, WE HAVE ACHIEVED PRESIDENTIAL AUTHORITY FOR IMMEDIATE AIR DELIVERY OF THOSE ITEMS

HAKIM ((INTERPRETS))

SECORD [redacted] CAN DENY THIS OR NOT DENY THIS. IT IS IRRELEVANT WE HAVE DOCUMENTARY PROOF. IT'S NOT EVEN WORTH DISCUSSING

HAKIM ((INTERPRETS))

SECORD AND THE PRESIDENT OF THE U S HAS APPROVED A SECRET OPERATION TO DELIVER THESE ITEMS IMMEDIATELY, AND WE WOULD HAVE ALREADY DELIVERED THEM EXCEPT THAT WE WERE ASKED TO HOLD UP SO THAT WE COULD HAVE THESE HIGHER LEVEL DISCUSSIONS

HAKIM ((INTERPRETS))

SECORD WHICH SEEMED REASONABLE TO US AND GOOD BECAUSE WE WANTED TO HAVE A MORE RELIABLE NATIONAL SYSTEM FOR DISCUSSIONS

HAKIM ((INTERPRETS))

SECORD WE ALSO, I HOPE, MADE CLEAR TO [redacted] IN WASHINGTON THAT WE DON'T REGARD THESE ITEMS BY THEMSELVES AS BEING PARTICULARLY DIFFICULT TO ACQUIRE--EXCEPT IN THE LARGE NUMBERS. FOR INSTANCE, 10 THOUSAND TOW ROUNDS WOULD TAKE A LONG TIME.

HAKIM ((INTERPRETS))

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SECORD: AND IF YOU TELL US THAT WHEN WE DELIVER THESE FIRST AIRPLANE LOADS THAT OUR HOSTAGES ARE GOING TO BE RELEASED, WE WILL START PRICING THESE AND GOING FOR POLITICAL AUTHORITY, AND GETTING ((FEW WORDS MISSED)), BUT WE CON'T DARE GO OUT AND START DOING SOMETHING LIKE THIS UNTIL WE HAVE THE POLITICAL SUCCESS BEHIND US.

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HAKIM: ((INTERPRETS, BUT HIS INTERPRETATION DIFFERS SOMEWHAT. HE SAID, IN PERSIAN)) THIS IS STILL PART OF THE POLITICAL PROBLEM. HE SAYS THAT WHEN WE ARE SURE THAT THE MATTER OF THE HOSTAGES HAS BEEN RESOLVED AND WE HAVE PUT THIS PROBLEM BEHIND US. ((INTERRUPTED BY KNOCK ON DOOR))

SECORD: WE WOULD LOSE OUR SECRECY.

[redacted] WHEN YOU SAY THE ITEMS ARE NOT DIFFICULT TO OBTAIN. ((FEW WORDS MISSED))

HAKIM: ((IN PERSIAN)) IF YOU LOOK AT THESE ITEMS INDIVIDUALLY, IT IS NOT DIFFICULT TO OBTAIN THEM, BUT JUST TO TAKE THE FIRST STEP, TO ((FEW WORDS UNCLEAR)) ETC. IT IS NECESSARY TO ELIMINATE THIS POLITICAL PROBLEM. WE DO NOT DARE TO START STIR THINGS UP BY GETTING PRICES, ETC. ((THEN, IN ENGLISH TO THE U.S. SIDE)) IF I MAY, AT THIS TIME, I FIND IT APPROPRIATE TO EXPLAIN TO HIM WHY THIS IS DIFFICULT TO START WITHOUT POLITICAL SUPPORT AND ADD WHAT YOU TOLD ME EARLIER.

NORTH: LET ME, OKAY? EVERYTHING THAT THE GENERAL SAID IS ENTIRELY ACCURATE. WHEN WE LOOKED AT THIS LIST, WE ESTIMATED THAT, EXCLUDING THESE TWO-ITEMS, THE HAWK AND THE TOWS, WE ARE LOOKING AT A MINIMUM OF FOUR SHIPLOADS OF EQUIPMENT.

HAKIM: ((INTERPRETS))

NORTH: THOUSANDS OF PEOPLE IN THE U.S., AT A MINIMUM, WOULD KNOW ABOUT THAT.

HAKIM: ((INTERPRETS))

NORTH: IF WE ARE GOING TO DO SOMETHING LIKE THIS, IT HAS TO BE VERY CLEAR THAT WE ARE DOING THIS BECAUSE WE ARE WORKING FOR A MILITARY BALANCE IN THE REGION AND A POLITICAL SOLUTION, AND HONORABLE SOLUTION TO THE IRAN-IRAQ WAR.

HAKIM: ((INTERPRETS)) ((BUT SAYS "THE WORLD MUST UNDERSTAND THAT WE ARE EMBARKING ON A COURSE TO CREATE A BALANCE OF POWER. THAT MUST BE THE UNDERSTANDING THAT THE WORLD HAS."))

NORTH: IN ORDER FOR US TO BE SEEN AS TAKING A POLITICAL ROLE IN ACHIEVING A BALANCE IN THE MILITARY SITUATION, OUR JUSTIFICATION FOR THAT, WE MUST BE ABLE TO TELL OTHER PEOPLE, TO INCLUDE OUR OWN PEOPLE, THAT WE ARE CARRYING ON A DIALOGUE WITH THE GOVERNMENT OF IRAN.

HAKIM: ((INTERPRETS))

NORTH: IN ORDER FOR US TO CARRY ON A DIALOGUE WITH THE GOVERNMENT OF IRAN THAT IS POLITICALLY ACCEPTABLE TO OUR PEOPLE, WE MUST HAVE TAKEN THAT ROCK IN THE ROAD, THAT OBSTACLE, AND PUT IT BEHIND US.

HAKIM: ((INTERPRETS. IT SPELLS OUT FOR THE IRANIANS THAT THE "ROCK IN THE ROAD" IS A REFERENCE TO THE HOSTAGES.))

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ORTH: THAT SATURDAY WHEN [redacted] WAS IN WASHINGTON, AND I FLEW UP TO CAMP DAVID TO TALK TO THE PRESIDENT, AND I SHOWED HIM THE LIST, AND HE SAID, "WHY ARE YOU THINKING SO SMALL?"

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AKIM: ((INTERPRETS))

ORTH: HE TOOK THE LIST, THAT LIST RIGHT THERE, AND HE WENT LIKE THIS WITH IT--I WAS SITTING ACROSS THE TABLE--AND HE SAID, "FOR SOMEONE WHO HAS SEEN SO MUCH WAR AS YOU HAVE, NORTH, YOU SHOULD UNDERSTAND THAT I WANT TO END THAT WAR ON TERMS THAT ARE ACCEPTABLE TO IRAN."

AKIM: ((INTERPRETS))

ORTH: "...I DON'T WANT TO SIMPLY HELP GO OUT AND KILL MORE IRANIAN YOUNGSTERS. WHAT ABOUT THE 2 MILLION PEOPLE WITHOUT HOMES? WHAT ABOUT THE OIL INDUSTRY WHICH IS ALREADY IN RUINS? WHAT ABOUT THE INDUSTRIAL BASE OF IRAN WHICH IS BEING DESTROYED? STOP COMING IN AND LOOKING LIKE A GUN MERCHANT." AND HE BANGED ON THE TABLE. "I WANT TO END THE WAR."

AKIM: ((INTERPRETS))

ORTH: AND EVERYTIME WE GET TO THE POINT WHERE WE CAN ACT IN THAT REGARD, WE FIND THIS OBSTACLE SITTING IN THE MIDDLE OF THE ROAD.

AKIM: ((INTERPRETS)) ((ASKS FOR PERMISSION FROM THE U.S. NEGOTIATORS TO TALK WITH [redacted] ABOUT THE ROLE HE IS PLAYING IN THIS.))

AVE: ((INTERPRETS WHAT HAKIM IS SAYING TO [redacted]) FROM THE FIRST DAY, AND IT WASN'T BASED ON YOUR OPINION OR MY OPINION, BUT THE FIRST THING THAT WE HAVE GOT TO GET RID OF IS THE HOSTAGE THING. AFTER A DAY AND A HALF, LOOK WHERE WE ARE.

[redacted]

AKIM: ((INTERPRETS)) I THINK LIKE YOU DO IN THE EVALUATION OF THIS SUBJECT AND ITS SOLUTION.

[redacted]

AKIM: ((INTERPRETS)) AND I ALSO UNDERSTAND THAT THE MAIN PROBLEM IS WHAT YOU JUST DISCUSSED.

[redacted]

AKIM: ((INTERPRETS)) BUT HOW CAN I DEFEAT THE PRESTIGE AND HONOR OF MY COUNTRY WHILE I AM NOT CONVINCED THAT I HAVE SOMETHING IN HAND?

[redacted]

AKIM: ((INTERPRETS)) I SHOULD BE IN A POSITION WHEN I GO BACK AND TELL THE LEADERS OF IRAN THAT I WANT YOU TO PUT AT STAKE YOUR HONOR IN TRADE FOR THIS, WHICH IS THE HONOR OF THE U.S.

[redacted]

AKIM: ((INTERPRETS)) ADD TO THIS THE PROBLEMS THAT WE HAVE IN LEBANON.

[redacted] I WANT TO TELL YOU THAT IF THESE HOSTAGES WERE IN OUR POSSESSION, LIKE THE MATTER OF THE AMERICAN HOSTAGES IN IRAN. ((FEW WORDS

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MISSED)) WE WOULD HAVE RESOLVED IT.

HAKIM: ((INTERPRETS)) HE WANTS YOU TO KNOW THAT IF THEY ACTUALLY HAD THEIR HANDS ON THE HOSTAGES IN IRAN ((SIC)) THIS SHOULD HAVE BEEN RESOLVED THE SAME DAY THAT THE OTHER HOSTAGES WERE RELEASED.

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[redacted]

HAKIM: ((INTERPRETS)) AND I WANT YOU TO KNOW THAT EVEN TODAY, AS I'M SITTING HERE, WE DO NOT HAVE A GUARANTEE THAT THE LEBANESE WOULD 100 PERCENT LISTEN TO WHAT WE HAVE TO SAY.

[redacted]

HAKIM: ((INTERPRETS)) WE MUST PUT AT STAKE THE SUBSTANCE THAT WOULD BE EQUAL WITH OUR EXISTANCE.

[redacted]

HAKIM: ((INTERPRETS)) AND YOU KNOW THAT EVEN UP TO THIS DATE, IN CONNECTION WITH THE TEHRAN HOSTAGES WE ARE STILL ((FEW WORDS MISSED)) IN A MESS.

[redacted]

HAKIM: ((INTERPRETS)) THEREFORE, PLEASE UNDERSTAND MY PROBLEM. I CANNOT GO TO IRAN AND SAY FORGET ABOUT THE 500-MILLION DOLLARS IN THE HAGUE ISSUE. AND I DO NOT EXPECT IN THIS MEETING TO RESOLVE THAT.

[redacted]

HAKIM: ((INTERPRETS)) AND HE IS BEING CONTINUOUSLY REMINDED THAT IN A CASE THAT THERE WERE NO OTHER PARTIES INVOLVED, IF IT WAS ONLY IRAN AND THE U.S., THIS ((FEW WORDS MISSED)) STILL BE A MESS IN THE HAGUE HOW THE SITUATION WOULD BE IF THERE WERE OTHER ELEMENTS INVOLVED

[redacted]

HAKIM: ((INTERPRETS)) WE MUST UNDERSTAND WHAT MY ROLE IS. I HAVE TO GAIN THE IRANIAN CONFIDENCE AND THE LEBANESE CONFIDENCE

[redacted]

HAKIM: ((INTERPRETS)) PLEASE SHOW ME THE WAY

NORTH: LET ME GIVE YOU SOME AP[illegible] FIRST OF ALL, WE HAVE ALREADY [illegible] IN AN EFFORT TO SHOW THAT WE ARE SINCERE AND THAT WE REALLY DO WANT TO HAVE [illegible] WITH YOUR GOVERNMENT--AND A RELATIONSHIP--WE HAVE TAKEN THE FOLLOWING STEPS

HAKIM: ((INTERPRETS

NORTH: WE SENT [illegible] [redacted] A VERY CLEAR WORD THAT WE WANTED TO TALK DIRECTLY WITH YOU

HAKIM: ((INTERPRETS))

NORTH: SECONDLY, [illegible] THAN [illegible] WE HAVE BEEN IN DIALOGUE WITH A MEMBER OF YOUR GOVERNMENT [redacted] TO PROVE TO HIM THAT I WAS WHO I SAID I WAS, SPEAKING FOR THE PRESIDENT OF THE U.S., IN FEBRUARY I

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SAT IN HIS ROOM IN THIS CITY, PICKED UP THE PHONE, AND ORDERED THE DELIVERY OF 500 TOWS, AND 8 HOURS LATER, THEY ARRIVED AT BANDAR ABBAS.

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HAKIM: ((INTERPRETS))

CAVE: ((IN PERSIAN))AND I WAS THREE AND A HALF MILLION DOLLARS IN DEBT TO OUR GOVERNMENT.

NORTH: SINCE THEN, WE HAVE SHIPPED A 1000 MORE TOWS.

HAKIM: ((INTERPRETS))

NORTH: WE DELIVERED ALL OF THE HAWK PARTS THAT HAVE BEEN REQUESTED THAT WE HAD ON HAND.

HAKIM: ((INTERPRETS))

NORTH: ~~THE~~ PRESIDENT SENT TO TEHRAN ONE OF HIS MOST TRUSTED ADVISORS. WHEN [redacted] WAS IN WASHINGTON, HE ASKED FOR A FURTHER SIGN THAT HE COULD TAKE BACK HOME ABOUT OUR SINCERITY.

HAKIM: ((INTERPRETS))

NORTH: HE MENTIONED TWO THINGS SPECIFICALLY. THE VOICE OF AMERICA AND THE HAGUE. THE FOLLOWING FRIDAY, THE EXACT WORDS I TOLD HIM WERE BROADCAST OVER VOICE OF AMERICA.

HAKIM: ((INTERPRETS))

NORTH: WORDS THAT HE AND I HAD AGREED ON. AND, SINCE THEN, TWO BIG CASES IN THE HAGUE HAVE BEEN SETTLED.

HAKIM: ((INTERPRETS))

NORTH: NOW IF YOU THINK THAT LIST OF WEAPONS IS A BIG PROBLEM, YOU OUGHT TO TRY THE HAGUE. OKAY? THAT'S A DIFFICULT PROBLEM. THE CLAIMS TRIBUNAL IS AN EVEN MORE DIFFICULT ISSUE TO WORK THAN THIS.

HAKIM: ((INTERPRETS: [redacted] DOESN'T SEEM TO KNOW WHAT THE CLAIMS TRIBUNAL IS.))

NORTH: THAT IS BECAUSE MOST OF THE CASES IN THE HAGUE ARE PRIVATE COMPANIES WHO HAVE A COURT CASE INVOLVING THE GOVERNMENT OF IRAN.

HAKIM: ((INTERPRETS))

NORTH: THERE IS RELATIVELY LITTLE U.S. GOVERNMENT INVOLVEMENT IN THAT ACTIVITY.

HAKIM: ((INTERPRETS))

NORTH: I SAY THESE THINGS TO YOU BECAUSE, QUITE FRANKLY, WHEN I GO BACK HOME I HAVE THE SAME PROBLEM YOU DO.

HAKIM: ((INTERPRETS))

NORTH: I GO BACK HOME AND I SAY WE NEED TO SHOW OUR GOOD FAITH AGAIN [illegible]

HAKIM: ((INTERPRETS))

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NORTH: WHEN I GO BACK AND I SAY, "WELL, ALL WE NEED TO DO IS TO PROVE OUR GOOD FAITH AND IRAN WILL TAKE WHAT WE KNOW TO BE A VERY, VERY DIFFICULT STEP IN THE LEBANON--WE UNDERSTAND THAT THAT IT IS NOT IRAN WHO HOLDS THE AMERICANS.

HAKIM: ((INTERPRETS))

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NORTH: AND THE WAY I PUT IT TO THE PRESIDENT AND TO HIS CLOSEST ADVISORS IS THAT WE ARE HOPING THAT IRAN WILL USE ITS INFLUENCE WITH THOSE IN THE LEBANON TO CAUSE THE RELEASE OF THE AMERICANS AND THE OTHER HOSTAGES.

HAKIM: ((INTERPRETS))

NORTH: I HAVE EXPLAINED THAT THAT IS INDEED A VERY DIFFICULT STEP FOR IRAN TO TAKE.

HAKIM: ((INTERPRETS))

NORTH: WE RECOGNIZE THAT THOSE WHO HOLD THE HOSTAGES MOST WANT THEIR BREтHREN WHO ARE HELD IN KUWAIT AS CONVICTED TERRORISTS FREED.

HAKIM: ((INTERPRETS))

NORTH: VERY, VERY PRIVATELY WITH THE KUWAITIS, LAST FRIDAY, WE HELPED TO TRY AND SET THE STAGE FOR THAT KIND OF THING TO HAPPEN IN A DIRECT DIALOGUE BETWEEN IRAN AND KUWAIT.

HAKIM: ((INTERPRETS))

NORTH: WE HAVE ASSURED THE KUWAITIS--A VERY, VERY EXPERIENCED FOREIGN MINISTER--THAT THE DAWA PRISONERS ARE THEIR BUSINESS. BUT YOU SHOULD KNOW, VERY, VERY PRIVATELY, THAT WHAT THAT MEANS IS THAT IF THE KUWAITIS DECIDE TO RELEASE THEM OVER SOME LENGTH OF TIME OR FOR SOME RELIGIOUS REASON, THAT WE ARE NOT GOING TO CRITICIZE THEM [redacted]

HAKIM: ((INTERPRETS))

A.E. ((IN PERSIAN)) AND THIS IS A VERY IMPORTANT DECISION THAT OUR COUNTRY HAS TAKEN BASED ON [illegible] YEARS

NORTH: NOW, YOU AND I BOTH KNOW THAT THERE ARE RELIGIOUS OCCASIONS THAT CAN BE USED TO RELEASE PRISONERS.

HAKIM: ((INTERPRETS))

NORTH: YOU AND I [illegible] WHAT THE KUWAITIS ACTUALLY WANT IN ORDER TO RELEASE [illegible] PRISONERS.

HAKIM: ((INTERPRETS))

NORTH: AND IT'S VERY SIMPLE. THE KUWAITIS ARE LOOKING FOR ASSURANCE FROM SOMEBODY RESPONSIBLE, SOMEBODY IN AUTHORITY, THAT IF THEY RELEASE THESE PRISONERS OVER A PERIOD OF TIME, THAT THERE WON'T BE ANY MORE ATTACKS ON THE EMIR BY THE DAWA.

[illegible]

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NORTH: I UNDERSTAND THAT THOSE IN THE LEBANON WHO HOLD OUR AMERICANS AND MANY OF THE OTHER WESTERNERS, ARE LOOKING FOR THAT RELEASE AND HAVE ASKED YOU TO ASSURE IT.

HAKIM: ((INTERPRETS))

NORTH: AND THAT PUTS YOU IN A DIFFICULT POSITION.

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HAKIM: ((INTERPRETS))

NORTH: WHAT I AM SAYING TO YOU IS THAT OUR INTERESTS ARE SO BIG, SO GREAT, AND YET THE REALITY WITHIN OUR SYSTEM IS SUCH THAT WE CANNOT ACT IN A WAY THAT THE AMERICAN PEOPLE WOULDN'T UNDERSTAND.

HAKIM: ((INTERPRETS))

NORTH WHAT WE HAVE DONE IS TRY TO ACT IN A RESPONSIBLE WAY BUT VERY, VERY, DISCREETLY.

HAKIM: ((INTERPRETS))

NORTH. WE HAVE TRIED TO REASSURE YOU THAT OUR INTERESTS GO BEYOND THE HOSTAGES, THAT OUR OBJECTIVE IS TO ASSURE THE POLITICAL SOVEREIGNTY AND TERRITORIAL INTEGRITY OF IRAN.

((END OF SIDE A))
((PORTION OF CONVERSATION MISSED IN FLIPPING TAPE))

NORTH: TO DEMONSTRATE OUR SINCERITY IN A NUMBER OF WAYS TO YOUR GOVERNMENT.

HAKIM: ((INTERPRETS))

NORTH: AND TO TAKE THOSE STEPS VERY, VERY, VERY DISCREETLY WITH KUWAIT AND OTHERS THAT GIVES YOU BETTER FREEDOM OF ACTION REGARDING KUWAIT, FOR EXAMPLE.

AKIM: ((INTERPRETS))

ORTH. WE ARE PREPARED TO DO MORE. WE ARE PREPARED RIGHT NOW TO LAY OUT BEFORE YOU VERY, VERY SENSITIVE INTELLIGENCE [redacted]S THAT WERE ASKED FOR IN WASHINGTON.

AKIM: ((INTERPRETS))

ORTH. TO OBTAIN THE [redacted] IN SUCH A WAY THAT WE WILL NOT BE KNOWN TO HAVE GIVEN THEM TO YOU.

AKIM: ((INTERPRETS))

ORTH AND TO PROVIDE VERY, VERY QUICKLY ADDITIONAL DEFENSIVE EQUIPMENT. I'M NOT GOING TO LIE TO YOU. THE HOSTAGE ISSUE IS AN EXPLOSIVE OBSTACLE, LIKE A MINE IN THE ROAD.

AKIM: ((INTERPRETS))

ORTH: IF ALL OF WHAT WE ARE DOING AND PLAN TO DO BECOMES KNOWN [redacted] IT IS IMPORTANT THAT WE HAVE THAT ISSUE BEHIND US.

AKIM. ((INTERPRETS))

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CAVE: I HAVE A POINT TO MAKE ABOUT THIS LIST THAT I DON'T KNOW IF THE GENERAL MADE THAT IS VERY IMPORTANT FROM MY RESPONSE FOR GETTING THIS STUFF, THAT I THINK THAT HE SHOULD BE AWARE OF THAT THE MATERIAL THAT WE HAVE SHIPPED, THE TOW MISSILES, ARE EXPENDABLES; AND THEY ARE EXPENDABLES IN THE NATURE OF WHICH THERE IS REGULAR MANUFACTURING LOTS PRODUCED BECAUSE THEY ARE IN SUCH WIDE USE, SO THAT IT IS VERY EASY FOR US TO OBTAIN THEM. I CAN GO DOWN THIS LIST AND POINT OUT TO HIM THAT THE PROBLEM WE HAVE WITH THE HOWITZERS IS THE TIME LAG THAT IT IS GOING TO TAKE, BECAUSE TO GET 500 BARRELS IF WE DO IT ALL FROM AMERICAN SOURCE, 100 TOWED HOWITZERS PLUS 500 BARRELS, THEY'RE GOING TO HAVE TO OPEN UP A PRODUCTION LINE.

SECORD: YOU WOULD UNDOUBTEDLY, AND WE SAID THIS IN WASHINGTON, LOOK AT THE WORLD-WIDE FRIENDLY ((?INTERESTS?)) AND VERY SELECTIVELY GO AND BUY THEM.

NORTH: ...GO TELL SOME ALLIED, SOME COUNTRY, THAT WE WILL LOOK THE OTHER WAY...

CAVE: BUT EVEN IN A SINGLE COUNTRY THEY WOULD HAVE TO OPEN A PRODUCTION LINE.

SECORD: WE MIGHT GO TO THIS COUNTRY, THAT COUNTRY, AND EITHER PROCURE THEM FOR THEM OR LOOK THE OTHER WAY AND LET THEM PROVIDE AT LEAST A PORTION OF THEM.

CAVE: ((SPEAKING NOW TO THE IRANIANS)) THE TOW MISSILES WERE VERY EASY FOR US BECAUSE THEY ARE EXPENDABLES OF WHICH WE MANUFACTURE A LOT. ((EXPLAINS THE ABOVE CONVERSATION))

HAKIM: ((INTERPRETS ALL THE ABOVE))

NORTH: LOOK, ALL OF THIS IS TO SAY THAT ALL OF THIS AND MORE CAN BE DONE, BUT WE NEED TO FIRE PROOF OUR PRESIDENT BY REMOVING THE OBSTACLE.

HAKIM: ((INTERPRETS))

NORTH: IF THAT WERE DONE, AND I THINK THAT WE HAVE BOTH ACTED TO SET THE STAGE FOR THAT TO HAPPEN--IF THE HOSTAGE THING WERE BEHIND US, AND I THINK WE HAVE AFTER TOGETHER [illegible] TO SET THE STAGE FOR THAT TO HAPPEN.

HAKIM: ((INTERPRETS))

NORTH: WE CAN GO TO A NUMBER OF COUNTRIES AND HAVE THESE THINGS. YOU SEE WE HAVE STOPPED THEM IN THE PAST FROM SHIPPING THEM TO YOU, WHEN WE FOUND OUT THAT THEY WERE [illegible] BECAUSE OF ARMS DEALERS LIKE GHORBANIFAR, WE STOPPED THEM.

HAKIM: ((INTERPRETS))

NORTH: WE CAN STOP STOPPING THEM. LET ME GIVE YOU AN EXAMPLE. MR. GHORBANIFAR AND MR. [redacted] BEEN BUYING WEAPONS FROM OTHER PEOPLE BESIDES US. THERE ARE CERTAIN WEAPONS AND CERTAIN PARTS THAT THEY CAN ONLY GET FROM US.

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HAKIM: ((INTERPRETS))

NORTH: [illegible] OTHER WEAPONS AND [illegible] WHICH ARE AVAILABLE FROM OTHER COUNTRIES THAT [illegible] ALLOW IT TO HAPPEN.

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HAKIM: ((INTERPRETS))

NORTH: FOR EXAMPLE....

HAKIM: AND YOU ARE PREPARED TO DO SO? THAT'S WHAT YOU'RE TELLING US?

NORTH: WELL, IF CERTAIN THINGS HAPPEN FAVORABLY IN OUR DIRECTION, THEY WE ARE PREPARED.

HAKIM: ((INTERPRETS))

[redacted]

HAKIM: ((INTERPRETS)) WHEN YOU SAY "CERTAIN THINGS TO HAPPEN IN OUR FAVOR" ARE YOU REFERRING TO THE HOSTAGES?

NORTH: YES. AND I'M NOT JUST TALKING ABOUT OUR HOSTAGES. I'M TALKING ABOUT THE WESTERN HOSTAGES.

HAKIM: ((INTERPRETS)) ((THEN, TO NORTH)) ??THAT COMPLICATES IT??

NORTH: I KNOW. I UNDERSTAND THAT. THIS IS A COMPLICATED ISSUE. THIS THING RIGHT HERE. LET ME GIVE YOU AN EXAMPLE. THIS PARTICULAR ITEM RIGHT HERE IS MADE IN [redacted]

HAKIM: ((INTERPRETS))

NORTH: BUT THERE ARE [redacted] WHO ARE MISSING IN BEIRUT. THEY ARE MISSING; THEY MAY BE DEAD FOR ALL I KNOW.

HAKIM: ((INTERPRETS))

[redacted] SINCE WHEN?

NORTH: I DON'T HAVE THAT WITH ME. I CAN FIND OUT.

[redacted]

HAKIM: ((INTERPRETS)) HE SAYS THAT HE IS HEARING IT FROM YOU FOR THE FIRST TIME; IT IS VERY POSSIBLE THAT YOU ARE KEEPING THEM AS HOSTAGES. ((LAUGHTER))

HAKIM: DOES ANYONE KNOW WHERE [redacted] IS?

NORTH: NO. OUT FOR A WALK? WHERE DID HE GO? IS HE LYING DOWN?

HAKIM: ((ASKS [redacted] WHERE [redacted] IS)) HE [illegible] WHERE HE IS.

AVE: ((IN PERSIAN)) WHAT'S HER NAME? ((LAUGHTER))

NORTH: WHAT IS IMPORTANT, AND IT IS [illegible] DIFFICULT DUE TO THE WAY ALL OF THIS GOT STARTED, IS THAT WE ACT IN A RESPONSIBLE MANNER, BECAUSE TIME REALLY IS NOT ON OUR SIDE.

HAKIM: ((INTERPRETS))

[redacted]

HAKIM: ((INTERPRETS)) HE BELIEVES IN WHAT YOU SAY THAT WE OUGHT TO ACT IN A RESPONSIBLE WAY AND HE [illegible]. BECAUSE HE BELIEVES IN THAT. TO GO

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AND LIST THE GOOD THINGS THAT THEY HAVE DONE FOR US.

ORTH LET ME MAKE JUST ONE LAST POINT, AND THEN IT'S YOUR TURN. C 382
IT IS ALSO IMPORTANT TO UNDERSTAND THAT OUR APPROACH IS NOT THAT OF [redacted]

AKIM: ((INTERPRETS))

(([redacted] ARRIVES))

ORTH RONALD REAGAN IS GOING TO BE PRESIDENT OF THE U.S. FOR TWO MORE YEARS AND WILL NEVER AGAIN SERVE AS PRESIDENT.

AKIM: ((INTERPRETS))

[redacted] THERE IS MCFARLANE.

ORTH: HE WANTS TO BE PRESIDENT?

[redacted]

AKIM: ((INTERPRETS)) THEY ARE VERY ACTIVE IN TRYING TO MAKE MCFARLANE PRESIDENT. ((LAUGHTER))

ORTH: THAT'S NOT BEYOND REASON. IT COULD HAPPEN. ((CONTINUES WITH PREVIOUS THOUGHT)) THIS PRESIDENT WOULD LIKE TO HAVE--I CAN TELL YOU BECAUSE I'VE LISTENED TO HIM--HIS VISION IS THAT WHEN HE LEAVES OFFICE IN 1989 WE WILL HAVE FULL DIPLOMATIC RELATIONS BETWEEN YOUR COUNTRY AND OURS.

AKIM: ((INTERPRETS))

ORTH HE WOULD LIKE TO BE REMEMBERED AS A MAN WHO HELPED TO BRING PEACE, IF YOU WILL, TO THE CHRISTIAN AND MOSLEM AND JEWISH PEOPLE IN THIS WORLD.

AKIM ((INTERPRETS))

ORTH THAT'S WHY HE HELD UP THE VERSE HE DID FROM OUR HOLY BOOK.

AKIM: ((INTERPRETS))

ORTH IT ISN'T [illegible] SHORT-TERM THING JUST TO GET REELECTED OR TO SOLVE SOME IMMEDI[illegible] PROBLEM, AND THEN FORGET ABOUT IT. HE REALLY HAS A LONG-TERM [illegible]

AKIM ((INTERPRETS))

ORTH HE KNOWS THAT SADDAM HUSSEIN IS A ((EXPLETIVE))

AKIM: DO YOU WANT ME TO TRANSLATE THAT?

ORTH GO AHEAD. THAT'S HIS WORD, NOT MINE.

((JOKING ABOUT THE ABOVE))

ORTH THE INFORMATION THAT WE ARE ABOUT TO GIVE YOU WE HAVE NEVER GIVEN TO ANYBODY ELSE. THIS DETAIL [illegible] WITH A COUNTRY WITH WHOM

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WE HAVE DIPLOMATIC RELATIONS

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CAVE: ((INTERPRETS))

NORTH: IF IT BECAME KNOWN WHAT WE ARE GIVING YOU.. WHAT WE ARE GIVING YOU SHOWS SOME SIGNIFICANT VULNERABILITIES ON THEIR PART.

CAVE: ((INTERPRETS))

NORTH: IF IT EVER BECAME KNOWN WE HAVE DONE THIS. WE WOULD BE FINISHED IN TERMS OF CREDIBILITY AS LONG AS PRESIDENT REAGAN IS PRESIDENT.

CAVE: ((INTERPRETS))

NORTH: THIS IS EXACTLY WHAT [redacted] ASKED FOR WHEN HE WAS IN WASHINGTON.

CAVE: ((INTERPRETS))

NORTH: THE ONLY DIFFERENCE IS THAT WE DON'T HAVE IT ON A [redacted]

CAVE: ((INTERPRETS))

NORTH: OKAY. LAST POINT, AND THEN SAM GIVES THE INTELLIGENCE. WE KNOW THAT WE ARE ((WORD MISSED)) WHO KNOWS WHAT [redacted]

CAVE.

[redacted]

CAVE

ORTH

AVE:

ORTH

AVE.

[redacted]

AVE.

ORTH

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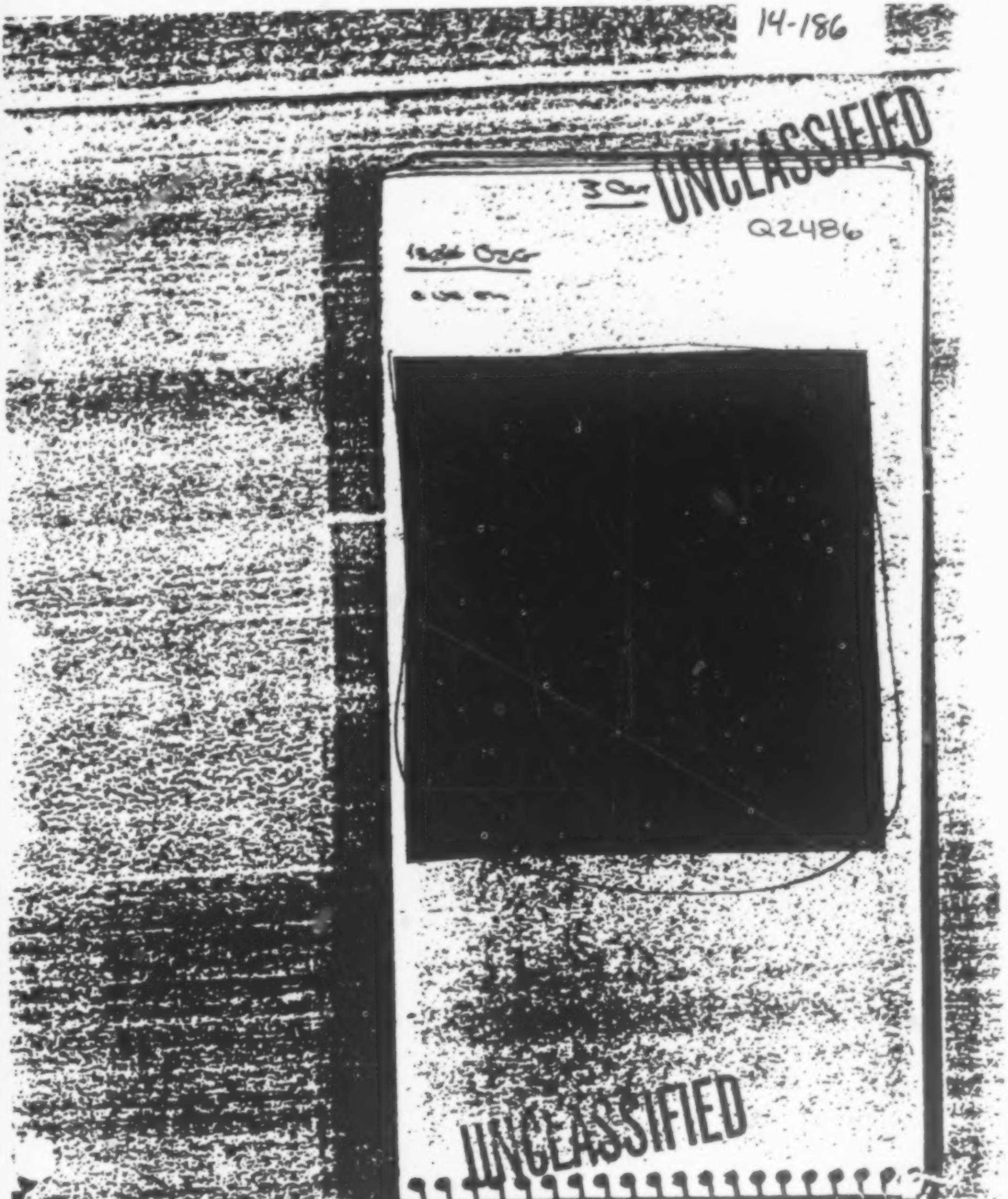

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13 November 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Status of Frankfurt Meeting Tapes

TO: Charles Allen, NIO for Counterterrorism

1. The transcripts for tapes 12 and 13, of the total of 16 received, are attached.

2. The remaining segments of the transcription will be forwarded upon completion.

[redacted]

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Partially [illegible] on 1/26/88 [illegible] E.O. 12356 [illegible] Security [illegible]

[redacted]
Declassify On: Originating Agency's Determination Required

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Partially Declassified/Released on 1-21-93
under provisions of E.O. 12356
by B. Reger, National Security Council

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(T A P E 12)

((TAPE BEGINS WITH HAKIM AND [redacted] TALKING QUIETLY TOGETHER AT TIMES, EVEN WHISPERING. ONLY A FEW PHRASES COULD BE HEARD. AT ONE POINT HAKIM SAYS, "THESE PEOPLE THINK THAT THEY ARE TALKING WITH ONE INTEGRATED GROUP, SO THAT IF YOU SAID ANYTHING IN FRONT OF [redacted] WHEN HE WAS THERE, THEY DON'T HAVE TO REPEAT IT ALL TO YOU THE NEXT TIME." THEN U.S. PARTIES ENTER THE ROOM AND SEVERAL CONVERSATIONS ARE TAKING PLACE SIMULTANEOUSLY. THEN TALKS RESUME.))

SECORD: BEFORE YOU GO TO THIS "INTEL", MAY I ADDRESS THIS LIST? I'M GOING TO ADDRESS THIS LIST. THERE ARE SOME TERRIFIC PRACTICAL PROBLEMS HERE. THERE ARE A COUPLE OF REAL, AS OPPOSED TO PHILOSOPHICAL, PROBLEMS WITH THIS LIST.

HAKIM: ((INTERPRETS))

SECORD: THE FIRST IS POLITICAL.

([redacted] LEAVES THE ROOM AT THIS POINT "TO GO TO BATHROOM" AND U.S. NEGOTIATORS DISCUSS STRATEGY WITH HAKIM. PROBLEMS WITH ITEMS ON IRANIAN SHOPPING LIST. THEN [redacted] COMES BACK IN THE ROOM.))

SECORD: THE FIRST PROBLEM IS POLITICAL. BASED UPON PREVIOUS OFFICIAL REQUESTS OF THE IRANIAN GOVERNMENT, I.E. [redacted] AND VERIFIED, AND I WOULD UNDERLINE, DESPERATE REQUESTS FROM HIM, FOR TOWS FOR HAWK PARTS AND FOR HIGH POWERED RADARS, WE HAVE ACHIEVED PRESIDENTIAL AUTHORITY FOR IMMEDIATE AIR DELIVERY OF THOSE ITEMS.

HAKIM: ((INTERPRETS))

SECORD: [redacted] CAN DENY THIS OR NOT DENY THIS. IT IS IRRELEVANT. WE HAVE DOCUMENTARY PROOF. IT'S NOT EVEN WORTH DISCUSSING.

HAKIM: ((INTERPRETS))

SECORD: AND THE PRESIDENT OF THE U.S. HAS APPROVED A SECRET OPERATION TO DELIVER THESE ITEMS IMMEDIATELY, AND WE WOULD HAVE ALREADY DELIVERED THEM EXCEPT THAT WE WERE ASKED TO HOLD UP SO THAT WE COULD HAVE THESE HIGHER LEVEL DISCUSSIONS.

HAKIM: ((INTERPRETS))

SECORD: WHICH SEEMED REASONABLE TO US AND GOOD BECAUSE WE WANTED TO HAVE A MORE RELIABLE NATIONAL SYSTEM FOR DISCUSSIONS.

HAKIM: ((INTERPRETS))

SECORD: WE ALSO, I THINK, MADE CLEAR TO [redacted] IN WASHINGTON THAT WE DON'T REGARD THESE ITEMS BY THEMSELVES AS BEING PARTICULARLY DIFFICULT TO [illegible] OF THE LARGE NUMBERS. FOR INSTANCE, 10 THOUSAND [illegible] SOUNDS [illegible] A LONG TIME.

HAKIM: ((INTERPRETS))

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SECORD: AND IF YOU TELL US THAT WHEN WE DELIVER THESE FIRST AIRPLANE LOADS THAT OUR HOSTAGES ARE GOING TO BE RELEASED, WE WILL START PRICING THESE AND GOING FOR POLITICAL AUTHORITY, AND GETTING ((FEW WORDS MISSED)). BUT WE CON'T DARE GO OUT AND START DOING SOMETHING LIKE THIS UNTIL WE HAVE THE POLITICAL SUCCESS BEHIND US.

HAKIM: ((INTERPRETS, BUT HIS INTERPRETATION DIFFERS SOMEWHAT. HE SAID, IN PERSIAN)) THIS IS STILL PART OF THE POLITICAL PROBLEM. HE SAYS THAT WHEN WE ARE SURE THAT THE MATTER OF THE HOSTAGES HAS BEEN RESOLVED AND WE HAVE PUT THIS PROBLEM BEHIND US. ((INTERRUPTED BY KNOCK ON DOOR.))

SECORD: WE WOULD LOSE OUR SECRECY.

[redacted] WHEN YOU SAY THE ITEMS ARE NOT DIFFICULT TO OBTAIN. ((FEW WORDS MISSED))

HAKIM: ((IN PERSIAN)) IF YOU LOOK AT THESE ITEMS INDIVIDUALLY, IT IS NOT DIFFICULT TO OBTAIN THEM. BUT JUST TO TAKE THE FIRST STEP, TO ((FEW WORDS UNCLEAR)) ETC., IT IS NECESSARY TO ELIMINATE THIS POLITICAL PROBLEM. WE DO NOT DARE TO START STIR THINGS UP BY GETTING PRICES, ETC.... ((THEN, IN ENGLISH TO THE U.S. SIDE)) IF I MAY, AT THIS TIME, I FIND IT APPROPRIATE TO EXPLAIN TO HIM WHY THIS IS DIFFICULT TO START WITHOUT POLITICAL SUPPORT AND ADD WHAT YOU TOLD ME EARLIER.

NORTH: LET ME, OKAY? EVERYTHING THAT THE GENERAL SAID IS ENTIRELY ACCURATE. WHEN WE LOOKED AT THIS LIST, WE ESTIMATED THAT, EXCLUDING THESE TWO ITEMS, THE HAWK AND THE TOWS, WE ARE LOOKING AT A MINIMUM OF FOUR SHIPLOADS OF EQUIPMENT.

HAKIM: ((INTERPRETS))

NORTH: THOUSANDS OF PEOPLE IN THE U.S., AT A MINIMUM, WOULD KNOW ABOUT THAT.

HAKIM: ((INTERPRETS))

NORTH: IF WE ARE GOING TO DO SOMETHING LIKE THIS, IT HAS TO BE VERY CLEAR THAT WE ARE DOING THIS BECAUSE WE ARE WORKING FOR A MILITARY BALANCE IN THE REGION AND A POLITICAL SOLUTION, AND HONORABLE SOLUTION TO THE IRAN-IRAQ WAR.

HAKIM: ((INTERPRETS)) ((BUT SAYS "THE WORLD MUST UNDERSTAND THAT WE ARE EMBARKING ON A COURSE TO CREATE A BALANCE OF POWER. THAT MUST BE THE UNDERSTANDING THAT THE WORLD HAS."))

NORTH: IN ORDER FOR US TO BE SEEN AS TAKING A POLITICAL ROLE IN ACHIEVING A BALANCE IN THE MILITARY SITUATION, OUR JUSTIFICATION FOR THAT, WE MUST BE ABLE TO TELL OTHER PEOPLE, TO INCLUDE OUR OWN PEOPLE, THAT WE ARE CARRYING ON A DIALOGUE WITH THE GOVERNMENT OF IRAN.

HAKIM: ((INTERPRETS))

NORTH: IN ORDER FOR US TO CARRY ON A DIALOGUE WITH THE GOVERNMENT OF IRAN THAT IS POLITICALLY ACCEPTABLE TO OUR PEOPLE, WE MUST HAVE TAKEN THAT ROCK IN THE ROAD, THAT OBSTACLE, AND PUT IT BEHIND US.

HAKIM: ((INTERPRETS. IT SPELLS OUT FOR THE IRANIANS THAT THE ROCK IN THE ROAD IS A REFERENCE TO THE HOSTAGES.))

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ORTH: THAT SATURDAY WHEN [redacted] WAS IN WASHINGTON, AND I FLEW UP TO CAMP DAVID TO TALK TO THE PRESIDENT, AND I SHOWED HIM THE LIST, AND HE SAID, "WHY ARE YOU THINKING SO SMALL?"

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AKIM: ((INTERPRETS))

ORTH: HE TOOK THE LIST, THAT LIST RIGHT THERE, AND HE WENT LIKE THIS WITH IT--I WAS SITTING ACROSS THE TABLE--AND HE SAID, "FOR SOMEONE WHO HAS SEEN SO MUCH WAR AS YOU HAVE, NORTH, YOU SHOULD UNDERSTAND THAT I WANT TO END THAT WAR ON TERMS THAT ARE ACCEPTABLE TO IRAN."

AKIM: ((INTERPRETS))

ORTH: "...I DON'T WANT TO SIMPLY HELP GO OUT AND KILL MORE IRANIAN YOUNGSTERS. WHAT ABOUT THE 2 MILLION PEOPLE WITHOUT HOMES? WHAT ABOUT THE OIL INDUSTRY WHICH IS ALREADY IN RUINS? WHAT ABOUT THE INDUSTRIAL BASE OF IRAN WHICH IS BEING DESTROYED? STOP COMING IN AND LOOKING LIKE A GUN MERCHANT." AND HE BANGED ON THE TABLE. "I WANT TO END THE WAR."

AKIM: ((INTERPRETS))

ORTH: AND EVERYTIME WE GET TO THE POINT WHERE WE CAN ACT IN THAT REGARD, WE FIND THIS OBSTACLE SITTING IN THE MIDDLE OF THE ROAD.

AKIM: ((INTERPRETS)) ((ASKS FOR PERMISSION FROM THE U.S. NEGOTIATORS TO TALK WITH [redacted] ABOUT THE ROLE HE IS PLAYING IN THIS.))

AVE: ((INTERPRETS WHAT HAKIM IS SAYING TO [redacted] FROM THE FIRST DAY, AND IT WASN'T BASED ON YOUR OPINION OR MY OPINION, BUT THE FIRST THING THAT WE HAVE GOT TO GET RID OF IS THE HOSTAGE THING. AFTER A DAY AND A HALF, LOOK WHERE WE ARE.

[redacted]

AKIM: ((INTERPRETS)) I THINK LIKE YOU DO IN THE EVALUATION OF THIS SUBJECT AND ITS SOLUTION.

[redacted]

AKIM: ((INTERPRETS)) AND I ALSO UNDERSTAND THAT THE MAIN PROBLEM IS WHAT YOU JUST DISCUSSED.

[redacted]

AKIM: ((INTERPRETS)) BUT HOW CAN I DEFEAT THE PRESTIGE AND HONOR OF MY COUNTRY WHILE I AM NOT CONVINCED THAT I HAVE SOMETHING IN HAND?

[redacted]

AKIM: ((INTERPRETS)) I SHOULD BE IN A POSITION WHEN I GO BACK AND TELL THE LEADERS OF IRAN THAT I WANT YOU TO PUT AT STAKE YOUR HONOR IN TRADE FOR THIS, WHICH IS THE HONOR OF THE U.S.

[redacted]

AKIM: ((INTERPRETS)) ADD TO THIS THE PROBLEMS THAT WE HAVE IN LEBANON.

[redacted] I WANT TO TELL YOU THAT IF THESE HOSTAGES WERE IN OUR POSSESSION, LIKE THE MATTER OF THE AMERICAN HOSTAGES IN IRAN. A FEW WORDS

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MISSED)) WE WOULD HAVE RESOLVED IT.

HAKIM: ((INTERPRETS)) HE WANTS YOU TO KNOW THAT IF THEY ACTUALLY HAD THEIR HANDS ON THE HOSTAGES IN IRAN ((SIC)) THIS SHOULD HAVE BEEN RESOLVED THE SAME DAY THAT THE OTHER HOSTAGES WERE RELEASED.

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[redacted]

HAKIM: ((INTERPRETS)) AND I WANT YOU TO KNOW THAT EVEN TODAY, AS I'M SITTING HERE, WE DO NOT HAVE A GUARANTEE THAT THE LEBANESE WOULD 100 PERCENT LISTEN TO WHAT WE HAVE TO SAY.

[redacted]

HAKIM: ((INTERPRETS)) WE MUST PUT AT STAKE THE SUBSTANCE THAT WOULD BE EQUAL WITH OUR EXISTANCE.

[redacted]

HAKIM: ((INTERPRETS)) AND YOU KNOW THAT EVEN UP TO THIS DATE, IN CONNECTION WITH THE TEHRAN HOSTAGES WE ARE STILL ((FEW WORDS MISSED)) IN A MESS.

[redacted]

HAKIM: ((INTERPRETS)) THEREFORE, PLEASE UNDERSTAND MY PROBLEM. I CANNOT GO TO IRAN AND SAY FORGET ABOUT THE 500-MILLION DOLLARS IN THE HAGUE ISSUE. AND I DO NOT EXPECT IN THIS MEETING TO RESOLVE THAT.

[redacted]

HAKIM: ((INTERPRETS)) AND HE IS BEING CONTINUOUSLY REMINDED THAT IN A CASE THAT THERE WERE NO OTHER PARTIES INVOLVED, IF IT WAS ONLY IRAN AND THE U.S., THIS ((FEW WORDS MISSED)) STILL BE A MESS IN THE HAGUE HOW THE SITUATION WOULD BE IF THERE WERE OTHER ELEMENTS INVOLVED.

[redacted]

HAKIM: ((INTERPRETS)) WE MUST UNDERSTAND WHAT MY ROLE IS. I HAVE TO GAIN THE IRANIAN CONFIDENCE AND THE LEBANESE CONFIDENCE.

[redacted]

HAKIM: ((INTERPRETS)) PLEASE SHOW ME THE WAY.

NORTH: LET ME GIVE YOU SOME AP[illegible] FIRST OF ALL, WE HAVE ALREADY [illegible] IN AN EFFORT TO SHOW THAT WE ARE SINCERE AND THAT WE REALLY DO WANT TO HAVE [illegible] WITH YOUR GOVERNMENT--AND A RELATIONSHIP--WE HAVE TAKEN THE FOLLOWING STEPS.

HAKIM: ((INTERPRETS))

NORTH: WE SENT [illegible] [redacted], A VERY CLEAR WORD THAT WE WANTED TO TALK DIRECTLY WITH YOU.

HAKIM: ((INTERPRETS))

NORTH: BETWEEN [illegible] WE HAVE BEEN IN DIALOGUE WITH A MEMBER OF YOUR GOVERNMENT [redacted] [illegible] PROVE TO HIM THAT I WAS WHO I SAID I WAS, SPEAKING FOR THE PRESIDENT OF THE U.S., IN FEBRUARY I

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SAT IN HIS ROOM IN THIS CITY, PICKED UP THE PHONE, AND ORDERED THE DELIVERY OF 500 TOWS. AND 8 HOURS LATER, THEY ARRIVED AT BANDAR ABBAS.

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HAKIM: ((INTERPRETS))

CAVE: ((IN PERSIAN))AND I HAS THREE AND A HALF MILLION DOLLARS IN DEBT TO OUR GOVERNMENT.

NORTH: SINCE THEN, WE HAVE SHIPPED A 1000 MORE TOWS.

HAKIM: ((INTERPRETS))

NORTH: WE DELIVERED ALL OF THE HAWK PARTS THAT HAVE BEEN REQUESTED THAT WE HAD ON HAND.

HAKIM: ((INTERPRETS))

NORTH: THE PRESIDENT SENT TO TEHRAN ONE OF HIS MOST TRUSTED ADVISORS. WHEN [redacted] WAS IN WASHINGTON, HE ASKED FOR A FURTHER SIGN THAT HE COULD TAKE BACK HOME ABOUT OUR SINCERITY.

HAKIM: ((INTERPRETS))

NORTH: HE MENTIONED TWO THINGS SPECIFICALLY. THE VOICE OF AMERICA AND THE HAGUE. THE FOLLOWING FRIDAY, THE EXACT WORDS I TOLD HIM WERE BROADCAST OVER VOICE OF AMERICA.

HAKIM: ((INTERPRETS))

NORTH: WORDS THAT HE AND I HAD AGREED ON. AND, SINCE THEN, TWO BIG CASES IN THE HAGUE HAVE BEEN SETTLED.

HAKIM: ((INTERPRETS))

NORTH: NOW IF YOU THINK THAT LIST OF WEAPONS IS A BIG PROBLEM, YOU OUGHT TO TRY THE HAGUE. OKAY? THAT'S A DIFFICULT PROBLEM. THE CLAIMS TRIBUNAL IS AN EVEN MORE DIFFICULT ISSUE TO WORK THAN THIS.

HAKIM: ((INTERPRETS: [redacted] DOESN'T SEEM TO KNOW WHAT THE CLAIMS TRIBUNAL IS.))

NORTH: THAT IS BECAUSE MOST OF THE CASES IN THE HAGUE ARE PRIVATE COMPANIES WHO HAVE A COURT CASE INVOLVING THE GOVERNMENT OF IRAN.

HAKIM: ((INTERPRETS))

NORTH: THERE IS RELATIVELY LITTLE U.S. GOVERNMENT INVOLVEMENT IN THAT ACTIVITY.

HAKIM: ((INTERPRETS))

NORTH: I SAY THESE THINGS TO YOU BECAUSE, QUITE FRANKLY, WHEN I GO BACK HOME I HAVE THE SAME PROBLEM YOU DO.

HAKIM: ((INTERPRETS))

NORTH: ~~I GO BACK HOME AND I SAY WE NEED TO SHOW OUR GOOD FAITH AGAIN~~

HAKIM: ((INTERPRETS))

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ORTH: WHEN I GO BACK AND I SAY, "WELL, ALL WE NEED TO DO IS TO PROVE OUR GOOD FAITH AND IRAN WILL TAKE WHAT WE KNOW TO BE A VERY, VERY DIFFICULT STEP IN THE LEBANON--WE UNDERSTAND THAT. THAT IT IS NOT IRAN WHO HOLDS THE AMERICANS.

AKIM: ((INTERPRETS))

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ORTH: AND THE WAY I PUT IT TO THE PRESIDENT AND TO HIS CLOSEST ADVISORS IS THAT WE ARE HOPING THAT IRAN WILL USE ITS INFLUENCE WITH THOSE IN THE LEBANON TO CAUSE THE RELEASE OF THE AMERICANS AND THE OTHER HOSTAGES

AKIM: ((INTERPRETS))

ORTH: I HAVE EXPLAINED THAT THAT IS INDEED A VERY DIFFICULT STEP FOR IRAN TO TAKE.

AKIM: ((INTERPRETS))

ORTH. WE RECOGNIZE THAT THOSE WHO HOLD THE HOSTAGES MOST WANT THEIR BREIHREN WHO ARE HELD IN KUWAIT AS CONVICTED TERRORISTS FREED.

AKIM: ((INTERPRETS))

ORTH VERY, VERY PRIVATELY WITH THE KUWAITIS, LAST FRIDAY, WE HELPED TO TRY AND SET THE STAGE FOR THAT KIND OF THING TO HAPPEN IN A DIRECT DIALOGUE BETWEEN IRAN AND KUWAIT

AKIM: ((INTERPRETS))

ORTH. WE HAVE ASSURED THE KUWAITIS--A VERY, VERY EXPERIENCED FOREIGN MINISTER--THAT THE DAWA PRISONERS ARE THEIR BUSINESS. BUT YOU SHOULD KNOW, VERY, VERY PRIVATELY, THAT WHAT THAT MEANS IS THAT IF THE KUWAITIS DECIDE TO RELEASE THEM OVER SOME LENGTH OF TIME OR FOR SOME RELIGIOUS REASON, THAT WE ARE NOT GOING TO CRITICIZE THEM [redacted]

AKIM: ((INTERPRETS))

A.E [illegible] AND THIS IS A VERY IMPORTANT DECISION THAT OUR COUNTRY HAS [illegible] FACED IN OUR [illegible]

ORTH NOW, YOU AND I BOTH KNOW THAT THERE ARE RELIGIOUS OCCASIONS THAT CAN BE USED TO RELEASE PRISONERS

AKIM: ((INTERPRETS))

ORTH: YOU AND I [illegible] WHAT [illegible] KUWAITIS REALLY WANT IN ORDER TO RELEASE [illegible] PRISONERS

AKIM: ((INTERPRETS))

ORTH: AND IT'S [illegible] SIMPLE: THE KUWAITIS ARE LOOKING FOR ASSURANCE FROM SOMEBODY RESPONSIBLE, SOMEBODY IN AUTHORITY, THAT IF THEY RELEASE THESE PRISONERS OVER A PERIOD OF TIME THAT THERE WON'T BE ANY MORE ATTACKS ON THE PART OF THE DAWA

[illegible] ((INTERPRETS))

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NORTH: I UNDERSTAND THAT THOSE IN THE LEBANON WHO HOLD OUR AMERICANS AND MANY OF THE OTHER WESTERNERS, ARE LOOKING FOR THAT RELEASE AND HAVE ASKED YOU TO ASSURE IT.

HAKIM: ((INTERPRETS))

NORTH: AND THAT PUTS YOU IN A DIFFICULT POSITION.

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HAKIM: ((INTERPRETS))

NORTH: WHAT I AM SAYING TO YOU IS THAT OUR INTERESTS ARE SO BIG, SO GREAT, AND YET THE REALITY WITHIN OUR SYSTEM IS SUCH THAT WE CANNOT ACT IN A WAY THAT THE AMERICAN PEOPLE WOULDN'T UNDERSTAND.

HAKIM: ((INTERPRETS))

NORTH: WHAT WE HAVE DONE IS TRY TO ACT IN A RESPONSIBLE WAY BUT VERY, VERY, DISCREETLY.

HAKIM: ((INTERPRETS))

NORTH: WE HAVE TRIED TO REASSURE YOU THAT OUR INTERESTS GO BEYOND THE HOSTAGES, THAT OUR OBJECTIVE IS TO ASSURE THE POLITICAL SOVEREIGNTY AND TERRITORIAL INTEGRITY OF IRAN.

((END OF SIDE A))
((PORTION OF CONVERSATION MISSED IN FLIPPING TAPE))

NORTH: TO DEMONSTRATE OUR SINCERITY IN A NUMBER OF WAYS TO YOUR GOVERNMENT.

HAKIM: ((INTERPRETS))

NORTH: AND TO TAKE THOSE STEPS VERY, VERY, VERY DISCREETLY WITH KUWAIT AND OTHERS THAT GIVES YOU BETTER FREEDOM OF ACTION REGARDING KUWAIT, FOR EXAMPLE.

AKIM: ((INTERPRETS))

ORTH: WE ARE PREPARED TO DO MORE. WE ARE PREPARED RIGHT NOW TO LAY OUT BEFORE YOU VERY, VERY SENSITIVE INTELLIGENCE [redacted] ES THAT WERE ASKED FOR IN WASHINGTON.

AKIM: ((INTERPRETS))

ORTH: TO OBTAIN THE [redacted] IN SUCH A WAY THAT WE WILL NOT BE KNOWN TO HAVE GIVEN THEM TO YOU.

AKIM: ((INTERPRETS))

ORTH: AND TO PROVIDE [illegible] VERY QUICKLY ADDITIONAL DEFENSIVE EQUIPMENT. I'M NOT GOING TO LIE TO YOU. THE HOSTAGE ISSUE IS AN EXPLOSIVE OBSTACLE, LIKE A MINE IN THE ROAD.

AKIM: ((INTERPRETS))

ORTH: IF ALL OF WHAT WE ARE DOING AND PLAN TO DO BECOMES KNOWN [redacted] IT IS IMPORTANT THAT WE HAVE THAT ISSUE BEHIND US.

AKIM: ((INTERPRETS))

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CAVE: I HAVE A POINT TO MAKE ABOUT THIS LIST THAT I DON'T KNOW IF THE GENERAL MADE THAT IS VERY IMPORTANT FROM MY RESPONSE FOR GETTING THIS STUFF. - THAT I THINK THAT WE SHOULD BE AWARE OF THAT THE MATERIAL THAT WE HAVE SHIPPED, THE TOW MISSILES, ARE EXPENDABLES; AND THEY ARE EXPENDABLES IN THE NATURE OF WHICH THERE IS REGULAR MANUFACTURING LOTS PRODUCED BECAUSE THEY ARE IN SUCH WIDE USE, SO THAT IT IS VERY EASY FOR US TO OBTAIN THEM. I CAN GO DOWN THIS LIST AND POINT OUT TO HIM THAT THE PROBLEM WE HAVE WITH THE HOWITZERS IS THE TIME LAG THAT IT IS GOING TO TAKE, BECAUSE TO GET 500 BARRELS IF WE DO IT ALL FROM AMERICAN SOURCE, 100 TOWED HOWITZERS PLUS 500 BARRELS, THEY'RE GOING TO HAVE TO OPEN UP A PRODUCTION LINE.

SECORD: YOU WOULD UNDOUBTEDLY, AND WE SAID THIS IN WASHINGTON, LOOK AT THE WORLD-WIDE FRIENDLY ((?INTERESTS?)) AND VERY SELECTIVELY GO AND BUY THEM.

NORTH: ...GO TELL SOME ALLIED, SOME COUNTRY, THAT WE WILL LOOK THE OTHER WAY...

CAVE: BUT EVEN IN A SINGLE COUNTRY THEY WOULD HAVE TO OPEN A PRODUCTION LINE.

SECORD: WE MIGHT GO TO THIS COUNTRY, THAT COUNTRY, AND EITHER PROCURE THEM FOR THEM OR LOOK THE OTHER WAY AND LET THEM PROVIDE AT LEAST A PORTION OF THEM.

CAVE: ((SPEAKING NOW TO THE IRANIANS)) THE TOW MISSILES WERE VERY EASY FOR US BECAUSE THEY ARE EXPENDABLES OF WHICH WE MANUFACTURE A LOT. ((EXPLAINS THE ABOVE CONVERSATION))

HAKIM: ((INTERPRETS ALL THE ABOVE))

NORTH: LOOK, ALL OF THIS IS TO SAY THAT ALL OF THIS AND MORE CAN BE DONE, BUT WE NEED TO FIRE PROOF OUR PRESIDENT BY REMOVING THE OBSTACLE.

HAKIM: ((INTERPRETS))

NORTH: IF THAT WERE DONE, AND I THINK THAT WE HAVE BOTH ACTED TO SET THE STAGE FOR THAT TO HAPPEN--IF THE [illegible] THING WERE BEHIND US. AND I THINK WE HAVE [illegible] TOGETHER [illegible] TO SET THE STAGE FOR THAT TO HAPPEN.

HAKIM: ((INTERPRETS))

NORTH: WE CAN GO TO A NUMBER OF COUNTRIES WHO HAVE THESE THINGS. YOU SEE WE HAVE STOPPED THEM IN THE PAST FROM SHIPPING THEM TO YOU, WHEN WE FOUND OUT THAT THEY WERE [illegible] BECAUSE OF ARMS DEALERS LIKE GHORBANIFAR, WE STOPPED THEM.

HAKIM: ((INTERPRETS))

NORTH: WE CAN STOP STOPPING THEM. LET ME GIVE YOU AN EXAMPLE. MR. GHORBANIFAR AND MR. [redacted] [illegible] BUYING WEAPONS FROM OTHER PEOPLE BESIDES US. THERE ARE CERTAIN WEAPONS AND CERTAIN PARTS THAT THEY CAN ONLY GET FROM US.

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HAKIM: ((INTERPRETS))

NORTH: [illegible] OTHER WEAPONS AND [illegible] WHICH ARE AVAILABLE FROM [illegible] COUNTRIES THAT [illegible] WE ALLOW IT TO HAPPEN.

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HAKIM: ((INTERPRETS))

NORTH: FOR EXAMPLE....

HAKIM: AND YOU ARE PREPARED TO DO SO? THAT'S WHAT YOU'RE TELLING US?

NORTH: WELL, IF CERTAIN THINGS HAPPEN FAVORABLY IN OUR DIRECTION, THEY WE ARE PREPARED.

HAKIM: ((INTERPRETS))

[redacted]

HAKIM. ((INTERPRETS)) WHEN YOU SAY "CERTAIN THINGS TO HAPPEN IN OUR FAVOR" ARE YOU REFERRING TO THE HOSTAGES?

NORTH. YES. AND I'M NOT JUST TALKING ABOUT OUR HOSTAGES. I'M TALKING ABOUT THE WESTERN HOSTAGES.

HAKIM: ((INTERPRETS)) ((THEN, TO NORTH)) ??THAT COMPLICATES IT??

NORTH. I KNOW. I UNDERSTAND THAT. THIS IS A COMPLICATED ISSUE. THIS THING RIGHT HERE. LET ME GIVE YOU AN EXAMPLE. THIS PARTICULAR ITEM RIGHT HERE IS MADE IN [redacted]

HAKIM: ((INTERPRETS))

NORTH: BUT THERE ARE [redacted] WHO ARE MISSING IN BEIRUT. THEY ARE MISSING; THEY MAY BE DEAD FOR ALL I KNOW.

HAKIM: ((INTERPRETS))

[redacted] SINCE WHEN?

NORTH: I DON'T HAVE THAT WITH ME. I CAN FIND OUT.

[redacted]

AKIM: ((INTERPRETS)) HE SAYS THAT HE IS HEARING IT FROM YOU FOR THE FIRST TIME; IT IS VERY POSSIBLE THAT YOU ARE KEEPING THEM AS HOSTAGES. ((LAUGHTER))

AKIM: DOES ANYONE KNOW WHERE [redacted] IS?

ORTH: NO. OUT FOR A WALK? WHERE DID HE GO? IS HE LYING DOWN?

AKIM: ((ASKS [redacted] WHERE [redacted] IS.)) HE KNOWS WHERE HE IS.

AVE. ((IN PERSIAN)) WHAT'S HER NAME? ((LAUGHTER))

ORTH: WHAT IS IMPORTANT, AND IT IS [illegible] DIFFICULT DUE TO THE WAY ALL OF THIS GOT STARTED, IS THAT WE ACT IN A RESPONSIBLE MANNER, BECAUSE TIME REALLY IS NOT ON OUR SIDE.

AKIM: ((INTERPRETS))

[redacted]

AKIM: ((INTERPRETS)) HE BELIEVES IN WHAT YOU SAY THAT WE OUGHT TO ACT IN A RESPONSIBLE WAY AND HE AGREES. BECAUSE HE BELIEVES IN THAT, TO GO

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AND LIST THE GOOD THINGS THAT THEY HAVE DONE FOR US.

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ORTH LET ME MAKE JUST ONE LAST POINT, AND THEN IT'S YOUR TURN. IT IS ALSO IMPORTANT TO UNDERSTAND THAT OUR APPROACH IS NOT THAT OF [redacted]

AKIM: ((INTERPRETS))

([redacted] ARRIVES))

ORTH RONALD REAGAN IS GOING TO BE PRESIDENT OF THE U.S. FOR TWO MORE YEARS AND WILL NEVER AGAIN SERVE AS PRESIDENT.

AKIM: ((INTERPRETS))

[redacted] THERE IS MCFARLANE.

ORTH: HE WANTS TO BE PRESIDENT?

[redacted]

AKIM: ((INTERPRETS)) THEY ARE VERY ACTIVE IN TRYING TO MAKE MCFARLANE PRESIDENT ((LAUGHTER))

ORTH: THAT'S NOT BEYOND REASON. IT COULD HAPPEN. ((CONTINUES WITH PREVIOUS THOUGHT)) THIS PRESIDENT WOULD LIKE TO HAVE--I CAN TELL YOU BECAUSE I'VE LISTENED TO HIM--HIS VISION IS THAT WHEN HE LEAVES OFFICE IN 1989 WE WILL HAVE FULL DIPLOMATIC RELATIONS BETWEEN YOUR COUNTRY AND OURS.

AKIM: ((INTERPRETS))

ORTH HE WOULD LIKE TO BE REMEMBERED AS A MAN WHO HELPED TO BRING PEACE, IF YOU WILL, TO THE CHRISTIAN AND MOSLEM AND JEWISH PEOPLE IN THIS WORLD.

AKIM ((INTERPRETS))

ORTH THAT'S WHY HE HELD UP THE VERSE HE DID FROM OUR HOLY BOOK.

AKIM: ((INTERPRETS))

ORTH IT ISN'T [illegible] SHORT-TERM THING JUST TO GET REELECTED OR TO SOLVE SOME IMMEDI[illegible] PROBLEM, AND THEN FORGET ABOUT IT. HE REALLY HAS A LONG-TERM [illegible]

AKIM ((INTERPRETS))

ORTH HE KNOWS THAT SADDAM HUSSEIN IS A ((EXPLETIVE))

AKIM: DO YOU WANT ME TO TRANSLATE THAT?

ORTH GO AHEAD. THAT'S HIS WORD, NOT MINE.

((JOKING ABOUT THE ABOVE))

ORTH THE [illegible] THAT WE ARE ABOUT TO GIVE YOU WE HAVE NEVER GIVEN TO ANYBODY ELSE. THIS [illegible] [illegible] WITH A COUNTRY WITH WHOM

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WE HAVE DIPLOMATIC RELATIONS

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CAVE: ((INTERPRETS))

NORTH: IF IT BECAME KNOWN WHAT WE ARE GIVING YOU... WHAT WE ARE GIVING YOU SHOWS SOME SIGNIFICANT VULNERABILITIES ON THEIR PART.

CAVE: ((INTERPRETS))

NORTH: IF IT EVER BECAME KNOWN WE HAVE DONE THIS, WE WOULD BE FINISHED IN TERMS OF CREDIBILITY AS LONG AS PRESIDENT REAGAN IS PRESIDENT.

CAVE: ((INTERPRETS))

NORTH: THIS IS EXACTLY WHAT [redacted] ASKED FOR WHEN HE WAS IN WASHINGTON.

CAVE: ((INTERPRETS))

NORTH: THE ONLY DIFFERENCE IS THAT WE DON'T HAVE IT ON A [redacted]

CAVE: ((INTERPRETS))

NORTH: OKAY. LAST POINT, AND THEN SAM GIVES THE INTELLIGENCE. WE KNOW THAT WE ARE ((WORD MISSED)) WHO KNOWS WHAT [redacted]

CAVE

[redacted]

CAVE

ORTH

AVE:

ORTH

AVE.

[redacted]

AVE:

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HAKIM ((INTERPRETING)) U S WILL PROVIDE THE [redacted] INFORMATION A [redacted] IRAN NEEDS, AND BY PAYING FOR 1500 TOWS BY IRAN. THE 15 TOWS WILL BE DELIVERED BY THE U S

NORTH OKAY [redacted] TWO PARTIES WILL ESTABLISH A PLACE, A PLAN, AND A TIMETABLE FOR EXCHANGING INFORMATION AND INTELLIGENCE. ESTABLISH A LOCATION IN WHICH WE CAN EXCHANGE INFORMATION ON [redacted] [redacted] WE WILL PROVIDE [redacted] INFORMATION BASED ON [redacted] INTELLIGENCE AND WE WILL DELIVER 1500 TOWS WHICH WIL BE PAID FOR BY THE ISLAMIC REVOLUTIONARY GOVERNMENT OF IRAN

HAKIM CORRECT

14-193to198

NORTH IN ADVANCE. HOW DO YOU SAY "IN ADVANCE?"

CAVE WE SAY "IT" BECAUSE ((WORD MISSED)) DOESN'T HAVE ENOUGH MONEY TO PAY FOR IT

NORTH I CAN'T DO IT

HAKIM THEY KNOW THAT. THEY KNOW MORE THAN YOU THINK THEY KNOW. THEY KNOW EXACTLY WHERE YOU ARE, WHAT YOU WANT, WHAT YOU HAVE TO DO. BELIEVE ME. AND JUST WE HAVE TO PUT AN IRANIAN TOUCH INTO IT TO GET IT THERE

NORTH FOUR

14/193-98

[redacted]

HAKIM I HOPE YOU WILL NOT GET INTO DISCUSSING THIS NEXT ISSUE. OKAY

NORTH I'M JUST TAKING NOTES

HAKIM OKAY. I APPRECIATE THAT, BECAUSE I KNOW YOU ARE GOING TO GO THROUGH THE ROOF AGAIN. ((INTERPRETING)) FOUR. IRAN WILL INFLUENCE THE LEBANESE AND IN DOING SO WILL PROMISE, AS HE WANTS TO UNDERLINE "ONLY PROMISE," IN CONNECTION WITH THE RELEASE OF THE PRISONERS IN KUWAIT. THIS PROMISE IN FACT WILL BE BASED ON YOUR PROMISE ON BEHALF OF KUWAIT TO THE GOVERNMENT OF IRAN AND IN GIVING THIS PROMISE, THE REMAINING TWO HOSTAGES WILL BE RELEASED

NORTH OKAY. THE GOVERNMENT OF IRAN WILL EXERCISE ITS INFLUENCE WITH THE LEBANESE AND PROMISE THE LEBANESE THAT WE WILL USE OUR INFLUENCE WITH THE KUWAITIS REGARDING THE DAWA CONVICTS

HAKIM THEY WILL PROMISE THE LEBANESE. YOU HAVE TO PROMISE THEM. THEY WILL NOT TELL THE LEBANESE THAT YOU HAVE PROMISED THEM. IT WOULD REMAIN BETWEEN THEM. ON BEHALF OF KUWAIT YOU WILL PROMISE--THE UNITED STATES WILL PROMISE IRAN ON BEHALF OF KUWAITIS--THAT THESE PRISONERS WILL BE RELEASED. THE BASE ((WORD MISSED)) FOUR SEE WHEN I SAW THAT YOU DIDN'T GO THROUGH THE ROOF, I KNEW YOU DIDN'T UNDERSTAND IT. OKAY ((LAUGHS))

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CAVE WHAT [redacted] IS SAYING IS THAT WHEN WE WERE TALKING ABOUT PROMISE WE'RE TALKING ABOUT PROMISE IN THE POLITICAL SENSE BETWEEN POLITICIANS

HAKIM THAT'S WHAT I AM TRYING TO PUT ACROSS. THAT'S WHY I ASKED HIM.

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by B. Reger, National Security Council

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"PLEASE DON'T GO THROUGH THE ROOF." OKAY. TAKE THE NOTES DOWN ((LONG PAUSE)) NOW. IN PARENTHESES. THIS PROMISE THAT'S NOT ((WORD MISSED)) THE NOTES--THEY FULLY UNDERSTAND OUR POSITION. VERY WELL AND BEYOND ANY SHADOW OF A DOUBT. WE MUST FIND A POLITICAL WAY OF DEFINING THE WORD 'PROMISE,' WHAT THAT MEANS. OK

NORTH I UNDERSTAND.

[redacted]

HAKIM UP TO HERE THE HOSTAGES ARE RELEASED.

NORTH WELL, I ONLY COUNT THREE.

HAKIM BUT THEY ARE GOING TO EXPLAIN, IF THERE IS TIME, THAT WHAT IS HAPPENING TO THE OTHER TWO, AND BASICALLY IT MEANS THAT TO THIS DATE THEY HAVE NOT BEEN BROUGHT TO WHERE THEY HAVE INFLUENCE. THE ONLY THING THEY KNOW IS THEY ARE HEALTHY AND WE HAVE TO GO TO THE NEXT PHASE OF THEM.

[redacted]

HAKIM ((INTERPRETING)) HE WANTS YOU TO MAKE THE NOTE THAT THERE ARE OTHER HOSTAGES FROM OTHER COUNTRIES AND HE WANTS YOU TO RECOGNIZE THEY ARE AN INDEPENDENT COUNTRY, SO ARE THE COUNTRIES THAT HAVE THE HOSTAGES IN LEBANON, AND TO RESOLVE THOSE. LIKE THEY ARE DOING IT WITH THE U.S., HAS TO BE ONE TO ONE. ON A BASIS OF ONE TO ONE TO RESOLVE THE ISSUE OF THE OTHER HOSTAGES.

NORTH LET ME MAKE A PARENTHETICAL RESPONSE TO THAT. THIS IS IMPORTANT. WHAT [redacted] HAS SAID IS HE FEELS THAT THE ISSUE OF THE OTHER WESTERN HOSTAGES IN LEBANON IS BASICALLY A BILATERAL ISSUE FOR THOSE OTHER COUNTRIES TO DEAL WITH DIRECTLY. I SIMPLY WANT TO MAKE THE POINT THAT IT IS IMPORTANT IN THE BROAD SENSE OF WHAT WE ARE TRYING TO DO REGARDING SADDAM HUSAYN AND IN THE CASE OF OTHERS THAT WE BE ABLE TO CONVINCE OTHER COUNTRIES [redacted] [redacted] BUT OTHER EUROPEAN COUNTRIES THAT SUPPORT FOR IRAQ IS NOT IN THEIR INTEREST. IN OTHER WORDS, I AM TALKING ABOUT SOMETHING VERY, VERY BIG HERE. A FUNDAMENTAL PERCEPTUAL CHANGE IN THE WORLD TOWARD THE ISLAMIC REVOLUTIONARY GOVERNMENT.

CAVE THE PRESIDENT CONSIDERS HOSTAGES. PERIOD.

HAKIM INTERPRETS ((ADDS THAT THE U.S. VIEWS THE ISSUE OF ALL HOSTAGES AS A HUMANITARIAN ISSUE RATHER THAN AS AN ISSUE BETWEEN TWO COUNTRIES))

[redacted]

HAKIM ((INTERPRETING)) FIVE. THE LIST THAT WAS-- IT IS IN CONNECTION WITH THE LIST THAT WAS GIVEN TO [redacted] WE HAVE TO GET A NAME FOR THIS-- THE LIST OF 6 ITEMS. NOW THIS IS IN CONNECTION WITH THE SHIPMENT OF THE LIST OF THE 6 ITEMS. THE SHIPMENT WILL BE EFFECTED BASED ON THE PRIORITY THAT WILL BE MUTUALLY AGREED UPON AND IN THE QUANTITIES THAT WILL BE AGREED UPON. AND IN IRAN THEY WILL START THE EFFORT OF FINDING ABOUT THE WHEREABOUTS OF THE OTHER TWO HOSTAGES AND ESTABLISHING A PLAN FOR THE RELEASE OF THOSE TWO HOSTAGES.

[redacted]

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HAKIM. ((INTERPRETING)) AT THIS TIME YOU MUST UNDERSTAND THAT THEY ARE GOING TO TRY THEIR BEST THEY ARE NOT IN A POSITION TO MAKE ANY PROMISES BECAUSE THEY DON'T KNOW WHERE THEY ARE.

[redacted]

HAKIM ((INTERPRETING)) AND PLEASE TAKE HIS WORD FOR THIS

NORTH I ACCEPT IT.

[redacted]

HAKIM: ((INTERPRETING)) SIX. THE U S WILL CONTACT KUWAIT AND MAKE SURE THAT THERE ARE NOT ANY DIFFICULTIES AND THAT THE RELEASE OF THE PRISONERS WILL BEGIN. WHICH MEANS TO SET UP SOME SORT OF A TIMETABLE. ((LONG PAUSE)) SO WE HAVE SIX, RIGHT?

NORTH THAT'S ALL

HAKIM NO THERE WAS A MISPRINT THERE THERE IS ONE MORE ITEM

[redacted]

HAKIM ((INTERPRETING)) SEVEN THE TWO PARTIES--MEANING AT THIS TIME IRAN AND THE U S --WILL AGREE TO TAKE STEPS IN THE FRAMEWORK OF THE HAGUE REGARDING THE MILITARY REQUIREMENT OF IRAN AND DELIVERY OF THE BLOCK ITEMS TO IRAN ((AT THIS POINT HAKIM MADE THIS PERSONAL REMARK I ASKED FOR CLARIFICATION ABOUT 'WHAT ITEMS ARE YOU TALKING ABOUT--THERE ARE ITEMS THAT THE U S. HAS CONTROL OVER AND ITEMS THAT THE U S HAS NO CONTROL OVER.' HE IS REFERRING TO THOSE THAT THE U S HAS CONTROL OVER THEM AND HE GAVE AN EXAMPLE OF THE F-14 THERE ARE VARIOUS SPARE PARTS

[redacted] IN PERSIAN CLARIFICATIONS

HAKIM ((INTERPRETING)) NOW YOU HAVE THE SEVERAL POINTS. HE IS GOING TO MAKE SOME CLARIFICATIONS

[redacted]

HAKIM ((INTERPRETING)) THE FIRST CLARIFICATION AND EXPLANATION. THE RELEASE OF THE KUWAITI PRISONERS AND THE RELEASE OF THE REMAINING AMERICAN HOSTAGES AS FAR AS THE TIMETABLE IS CONCERNED MUST WASH

NORTH: WHAT DOES THAT MEAN?

HAKIM: IT MEANS THEY HAVE TO COINCIDE OR HAVE SOME LOGICAL CORRELATION THEY MUST BE CO-RELATED

((HAKIM ASKS [redacted] INAUDIBLE QUESTION WHICH [redacted] ANSWERS

HAKIM I SAID I DIDN'T UNDERSTAND WHAT 'THE REMAINING HOSTAGES' MEAN ARE THEY REFERRING TO THE LAST TWO NEW ONES OR WHAT? HE CLARIFIED FURTHER THAT, AS HE SAID EARLIER, HE DOESN'T KNOW WHERE THE LAST TWO NEW HO
STAGES ARE IF BY THE TIME THAT WE GET TO THIS THEY HAVE FOUND OUT WHERE THE OTHER TWO ARE THEN THE REMAINING HOSTAGES MEANS THAT WHATEVER THERE IS TO BE RELEASED

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SO THEY CAN END TERRORISM.

[redacted] ((IN PERSIAN)) CLARIFICATION NUMBER TWO.

NORTH I STILL DON'T UNDERSTAND THAT

SECORD I UNDERSTAND THAT. DOES HE HAVE ANOTHER CLARIFICATION?

HAKIM. YES. HE HAS A TOTAL OF FIVE.

SECORD. CLARIFICATIONS ARE GOING TO RUN US OUT OF TIME. I THINK HE HAS ALREADY BUSTED THE FLESH ANYWAY. ((FEW WORDS MISSED)) UNACCEPTABLE, ACROSS THE BOARD.

HAKIM. ((IN PERSIAN)) HE SAID PARENTHETICALLY THAT WITH THE SUGGESTIONS THAT YOU MADE YOU HAVE ALREADY TAKEN A STEP TOWARDS STARTING A RELATIONSHIP

[redacted]

HAKIM ((INTERPRETING))NUMBER TWO. THEY CAN NOT INCLUDE. REGARDING [redacted] IT SHOULD NOT BE PART OF THIS, BECAUSE THEY HAVE NO INFORMATION. BUT I HAVE SOME INFORMATION I'LL PASS ALONG SEPARATELY. NOT BE INCLUDED IN THIS [redacted] IS NOT TO BE INCLUDED IN THIS CLARIFICATION.

[redacted]

HAKIM ((INTERPRETING)) HE WANTS TO REPEAT WHAT WAS SAID EARLIER ABOUT THE MEETING OF THE UPPER ECHELONS OF THE TWO . AND HE SAYS THIS WAS NOT WITHIN THEIR AUTHORITY. THEY WILL DISCUSS IT

[redacted]

HAKIM ((INTERPRETING)) REGARDING THE LAHAD PRISONERS. THEY WILL LEAVE THAT UP TO THE LEBANESE TO RESOLVE IT THEMSELVES. END

[redacted] ((INAUDIBLE))

((AT THIS POINT HAKIM POINTS OUT TO [redacted] THAT THE HOSTAGE ISSUE IS NOT THE ONLY ISSUE BEING DISCUSSED AND THAT [redacted] HAS GONE OFF TRACK.))

NORTH I'VE GOT TO RUN AND WE NEED TO GET OUT OF THIS PLACE BEFORE THE [redacted] SHOW UP AND FIND US

HAKIM: ((IN PERSIAN)) THEY'VE RUN OUT OF TIME. ((REMAINDER INAUDIBLE))

NORTH: I THINK IT WOULD BE BEST IF I DID NOT PROVIDE ANY OFFICIAL COMMENT ON YOUR PROPOSAL AT THIS TIME.

HAKIM INTERPRETS

NORTH BUT LET ME MAKE MY PERSONAL OBSERVATIONS

HAKIM INTERPRETS

NORTH I FEEL VERY MUCH LIKE I DID THE LAST TIME YOU AND I SAW EACH OTHER IN TEHRAN

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HAKIM INTERPRETS

NORTH AND THAT IS THAT A GREAT OPPORTUNITY IS GOING TO PASS OUR TWO COUNTRIES BY. I WILL GO BACK AND DUTIFULLY CARRY YOUR MESSAGE TO PRESIDENT. I BELIEVE THAT HE WILL PROBABLY BE VERY DISAPPOINTED THAT WE ARE NOT GOING TO PROCEED AS QUICKLY AND AS EFFECTIVELY TOWARD A RELATIONSHIP BETWEEN OUR TWO COUNTRIES AS HE HAD HOPED

HAKIM INTERPRETS

NORTH I WANT YOU TO UNDERSTAND MY PERSONAL SENSE OF LOSS AND IT IS THE SAME AS I FELT STANDING ON THE RUNWAY IN TEHRAN THAT I SEEING TWO GREAT PEOPLES WHOSE INTERESTS ARE VERY MUCH THE SAME. WHO OUGHT TO BE PROCEEDING IN THE SAME DIRECTION. WHO WILL INSTEA PASS EACH OTHER LIKE SHIPS IN THE NIGHT

HAKIM INTERPRETS

NORTH THE PROPOSALS I MADE TO YOU LAST NIGHT IN MY SEVEN POINTS WERE BASED ON TWO GREAT PRINCIPLES THAT FIRST OF ALL WE RECOGNIZE AN ACCEPT THE ISLAMIC REVOLUTION OF IRAN AS A FACT AND ARE PREPARED DO SO PUBLICLY SECOND OF ALL WE ARE COMMITTED TO PRESERVING. TO HELPING SECOND OF ALL WE ARE COMMITTED TO HELPING YOU TO PRESERVE THE TERRITORIAL INTEGRITY AND SOVEREIGNTY OF YOUR COUNTR

HAKIM INTERPRETS

NORTH I HAD HOPED. MY PRESIDENT HAD HOPED THAT WE WERE INDEED EMBARKED ON A PROCESS BY WHICH WE WERE DEALING GOVERNMENT TO GOVERNMENT I HAD LED HIM TO BELIEVE THAT. MY SENSE IS THAT I HAVE FAILED IN MY MISSION AND MY MISSION WAS TO HELP START THE PROCESS OF HEALI BETWEEN OUR TWO COUNTRIES IT IS APPARENT TO ME THAT FROM THE CLARIFICATIONS AND FROM THE POINTS THAT YOU HAVE MADE MY PERSONA UNDERSTANDING IS THAT WE ARE MISSING EACH OTHER. WE ARE NOT UNDERSTANDING EACH OTHER

HAKIM INTERPRETS

NORTH FOR YOU SEE WHEN TWO COUNTRIES. TWO GREAT GOVERNMENTS TWO GREAT PEOPLES BEGIN TO HAVE THESE KINDS OF TALKS. THERE ARE NO ISSUES LIKE [redacted] WHICH CANNOT BE INCLUDED THEY ARE ISSUES OF OUR TWO COUNTRIES

[redacted]

HAKIM HE WANTS ME TO TRANSLATE THAT YOU ARE RIGHT YOUR ((WORD MISSED I CONFIRM--MY PERSONAL PERCEPTION HE WANTS YOU TO UNDERSTAND THAT HE DIDN'T MEAN ((IT)) WHEN HE SAID [redacted] WOULD NOT BE DISCUSSED HE WANTED TO SAY THAT [redacted] WOULD NOT BE DISCUSSED IN THIS MEETING

[redacted]

HAKIM ((INTERPRETING)) IT IS LIKE HIM ESTABLISHING AN ISSUE SUCH AS THE IRANIAN PRISONERS IN THE HANDS OF PHALANGISTS--TO RELEASE THEM RIGHT AWAY

[redacted]

HAKIM ((INTERPRETING)) AND THEN MAKE A DECISION AT THIS MEETING THAT

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IF YOU SAID NO, IT MEANS THAT YOU ARE PASSING

[redacted]

HAKIM ((INTERPRETING)) HE WANTS BOTH OF US TO BE LOGICAL ?AND REASONABLE.? CAN I HAVE ONE MINUTE? ((HAKIM AND [redacted] SPEAK QUIETLY FOR SEVERAL MINUTES. AMERICANS HAVE A CONVERSATION SIMULTANEOUSLY.))

HAKIM THE ISSUE THAT'S BEING RAISED HERE--THERE'S A BIG, BIG MISUNDERSTANDING THAT EVEN ((TWO WORDS MISSED)). I DON'T KNOW IF YOUR TIME ?WILL ALLOW THIS?, BUT I'M GOING TO ?ATTEMPT? I HAVE BEEN TRYING TO EXPLAIN TO THEM WHY YOU'RE PASSING BY EACH OTHER, AND THAT'S IN CONNECTION WITH THEM RECEIVING THE 500 TOWS AND NOT TOUCHING UPON THE ISSUE OF THE HOSTAGES. ((WORD MISSED)) IS ?WHEN? HE CALLED [redacted] AND ASKED HIM IF THIS IS CORRECT OR NOT. THEIR UNDERSTANDING HAS BEEN--FROM THE DISCUSSION HELD WITH [redacted]--THAT THE SHIPMENT OF THE 500 TOWS HAD NO CONNECTION WITH THE RELEASE OF HOSTAGES. HE ASKED [redacted] IS THAT CORRECT?

[redacted] AND [redacted]

HAKIM IS THIS CORRECT?

NORTH NO. WE DID NOT IN OUR MEETINGS--WE DID NOT AGREE TO SHIP ANYTHIN

HAKIM YOU SAID YOU DID NOT AGREE TO SHIP ANYTHING

NORTH AS A CONSEQUENCE OF THAT MEETING. I MEAN THERE WAS NO

HAKIM INTERPRETS.

[redacted]

HAKIM THE MISUNDERSTANDING OCCURRED BECAUSE WHEN WE TALKED ABOUT THE METHOD OF PAYMENT FOR THE TOWS, WE DID NOT RAISE AT THAT TIME THE ISSUE OF THE HOSTAGES AND HIS UNDERSTANDING WAS THAT THEY ARE NOT RELATED.

((HAKIM INTERPRETS WHAT HE HAS TOLD THE AMERICANS.))

[redacted] ((IN PERSIAN)) NO. THEY WEREN'T DISCUSSED ((FEW WORDS MISSED)) AND WHEN I WENT TO TEHRAN I EVEN ((FEW WORDS MISSED)) FOR GOODWILL WE SHOULD FREE ONE OR TWO OF THE HOSTAGES BEFORE THEY GIVE US THE GOODS ((FEW WORDS MISSED)). I DISCUSSED THIS FOR THREE NIGHTS THERE.

HAKIM HE WANTS YOU TO KNOW THAT HE WORKED VERY HARD. HE SAYS THE GIST OF THE DISCUSSIONS IN WASHINGTON WAS NOT TO TRADE. IT WAS PHILOSOPHICAL, AND HE HELD THE VERY SAME KIND OF MEETING IN TEHRAN, AND THIS MAN WAS PRESENT. HE EVEN--WHEN HE WAS SITTING THERE REPRESENTING US---HE RECOMMENDED WITHOUT AMERICANS DOING ANYTHING, TO SHOW OUR GOODWILL, WE MUST RELEASE ONE OR TWO HOSTAGES UNCONDITIONALLY. BUT HE TRIED. HE STAYED UP SLEEPLESS NIGHTS TRYING TO CONVINCE THEM TO DO THIS.

[redacted]

HAKIM ((INTERPRETING)) HIS UNDERSTANDING FROM THAT MEETING WAS THAT

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WE HAD REACHED A POINT THAT WE WERE GOING TO TRUST EACH OTHER, AND WE WERE NOT GOING TO BE TRADING. AND WE ARE GOING TO SEND EVEN THE 500 MISSILES AS A TOKEN OF OUR TRUST. AND THEY WOULD ALSO DO SIMILAR THINGS AND WE WOULD NOT BE TRADING (ON) RELEASING HOSTAGES. AND SO HE SAID IT IS ESSENTIAL [redacted] (SAID) IT'S ESSENTIAL THAT WE APPROACH EACH OTHER IN THIS FASHION, SHOWING OUR TRUST.

[redacted]

HAKIM: THE ESSENCE AND THE PURPOSE OF THE MEETING IN WASHINGTON WAS TO CHANGE CHANNELS AND WORK WITH THE NEW CHANNEL BASED ON TRUST. IT WAS NOT ON THE BASIS OF THE TRADING

NORTH: TRADING (ON) THE HOSTAGES. I AGREE

HAKIM: ((IN PERSIAN)) HE SAYS HE AGREES

[redacted]

HAKIM: ((INTERPRETING)) HE SAYS IF HIS REPORT--WHICH IS WHAT HE JUST SAID--IS WRONG, PLEASE SAY SO SO HE WOULD KNOW. AND HE WOULD EVE LET YOU READ HIS REPORT WHICH IS CLASSIFIED

[redacted]

HAKIM: ((INTERPRETING)) HE SAID I WANT YOU TO UNDERSTAND MY POSITION OF BEING TOSSED AROUND ((FEW WORDS MISSED)) WHEN HE TALKED ABOUT SPARE PARTS FOR THE HAWK MISSILES THE AIR FORCE TOLD HIM "THESE PARTS ARE NOT WHAT WE WANT." AND HE GOT SO FRUSTRATED THAT HE WANTED TO WALK AWAY FROM THE WHOLE THING

[redacted]

((TAPE 15, SIDE A ENDS))

((TAPE 15, SIDE B BEGINS))

((PORTION MISSED WHILE TAPE WAS FLIPPED.))

HAKIM: ((INTERPRETING)) AND ON ONE HAND YOU SAY THAT YOU ARE HERE TO ESTABLISH SOMETHING VERY BIG AND IMPORTANT, BUT WHEN I READ EVERYTHING, INCLUDING THE AGREEMENT THAT WAS ABOUT TO BE SIGNED IN IRAN, THE FOCUS AND THE ONLY THING THAT IS BEING DISCUSSED IS THE ISSUE OF THE HOSTAGES. AND THE PERCEPTION OF THE IRANIAN IS THAT IS IT THE SAME SITUATION THAT THEY HAD WITH [redacted] WHERE THE GUY WANTED, BY THE RELEASE OF [redacted] HOSTAGES [redacted] [redacted] AND THIS PERCEPTION TAKES HOURS OF DISCUSSION. AND WE HAVE BEEN PUTTING MANY, MANY HOURS IN

[redacted] (IN PERSIAN) IF YOU DON'T WANT TO HELP ME, NO PROBLEM

HAKIM: ((INTERPRETING)) HE SAYS IF YOU DON'T WANT TO HELP ME [redacted] TO

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BE ABLE TO PUSH THESE THINGS FORWARD. IT'S NOT AN ISSUE--JUST TELL ME. THAT'S NO PROBLEM.

NORTH. NO. AND I WOULD NOT WANT ANYBODY IN THIS ROOM TO STEP OUT OF THIS PROCESS BECAUSE I THINK IT IS TOO IMPORTANT TO BOTH OUR COUNTRIES

HAKIM INT[redacted]

NORTH. [redacted]LD REAGAN CAN'T BE REELECTED. HE'S LEAVING OFFICE. ((FEW WORDS MISSED))

HAKIM INTERPRETS.

NORTH. THE PROPOSAL THAT I MADE TO YOU WAS NOT BASED ON BARTERING FOR HOSTAGES.

HAKIM. NOW, OR ...

NORTH. NO. THE ONE I MADE LAST NIGHT. IT'S NOT A BARTER ARRANGEMENT FOR HOSTAGES--THE SEVEN POINTS I MADE.

HAKIM INTERPRETS.

[redacted] ((MAJORITY OF REMARK INAUDIBLE. HE SAYS THAT THERE WAS NOTHING ABOUT KUWAIT IN THE LIST THAT THE AMERICANS HAD GIVEN THEM, AND THAT THEY SHOULD TELL THE IRANIANS WHAT THEY SHOULD SAY ABOUT KUWAIT WHEN THEY RETURN TO TEHRAN.))

HAKIM. WE ARE SO CLOSE AND YET SO FAR APART

CAVE. I KNOW

SECORD. I THINK WE HAVE TO CLEAR OUT OF THIS ROOM.

NORTH. LET ME JUST MAKE ONE POINT: OUR GOVERNMENTS MAY NEVER GET TOGETHER OUTSIDE OF THIS ROOM. THAT WOULD BE A GREAT, GREAT TRAGEDY FOR THOSE OF US WHO LIVE ON THIS PLANET EARTH.

HAKIM INTERPRETS.

NORTH. BUT I DON'T WANT US TO PART ANGRY--PERHAPS DISAPPOINTED, BUT NOT ANGRY.

HAKIM INTERPRETS.

CAVE. (([redacted]RSIAN)) WE SAID SOMETHING ABOUT KUWAIT IN POINT SEVEN.

((AT THIS [redacted] THE AMERICANS BEGIN DISCUSSING POINT SEVEN AND AGREE THAT THE AMERICAN VERSION NEEDS TO BE CROSSCHECKED WITH THE IRANIAN VERSION BECAUSE [redacted] HAD SAID THAT THERE WAS NOTHING ABOUT THE KUWAITIS IN IT. CAVE SAYS THAT POINT SEVEN MENTIONS APPROACHING THE KUWAITIS TO RELEASE THE SHI'A HELD. IRANIANS BREAK OFF INTO A DISCUSSION.))

NORTH. WHY DON'T YOU GUYS HOLD THIS DISCUSSION AFTER I'M GONE, OK? BECAUSE I'VE GOT TO LEAVE.

SECORD. WE'VE GOT TO CROSSCHECK THESE LISTS AND ((ONE OR TWO WORDS MISSED)) GIVE US THE RIGHT TRANSLATION.

NORTH. I'M GOING TO LEAVE THIS WITH YOU GUYS, ALLRIGHT? YOU MAKE SURE

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[redacted]

[illegible] TO ME BY THE PRESIDENT OF THE UNITED STATES [illegible] THERE'S NO WAY ON GOD'S GREEN EARTH THAT I'M GOING TO VIOLATE MY INSTRUCTIONS.

HAKIM INTE[illegible]S.

[redacted]

HAKIM: BEFORE YOU GO, HE WANTS TO GIVE YOU SOMETHING TO ((FEW WORDS MISSED)). PLEASE ADD THIS NOTE TO THE MESSAGE TO PRESIDENT REAGAN.

[redacted]

HAKIM: ((INTERPRETING)) NOW THAT COL NORTH IS LEAVING THIS MEETING DISAPPOINTED AND POSSIBLY NOT ACHIEVING THE FULL SATISFACTION. AND WE WILL POSSIBLY LEAVE IN THE SAME MANNER FOR IRAN, WE ARE HOPING THAT WE WILL REACH TO THE THIRD ((WORD MISSED)) AND THAT THE BASIS OF IT WOULD BE BASED ON WHAT WE DISCUSSED HERE. BUT YOU MUST KNOW THAT THEY ARE GOING TO BE ((TWO WORDS MISSED)) IN THE OUTCOME OF THE WAR AND THE REMOVAL OF SADDAM HUSAYN. WHETHER YOU HELP US OR YOU WON'T HELP US, WE WILL CREATE ANOTHER ((WORD MISSED)).

[redacted]

HAKIM: ((INTERPRETING)) AND HERE AND NOW WE THANK YOU FOR THE INFORMATION AND INTELLIGENCE THAT YOU GAVE US IN THIS MEETING WHICH POSSIBLY CAN HELP US IN CHOOSING THE RIGHT WAY. BUT PLEASE REMEMBER IF IT WILL COST THEM A LOT--MEANING LIVES--TO GET ANOTHER ((WORD MISSED)) AND THAT WOULD BE HEAVY COST AND LOSS FOR THEIR COUNTRY, THEIR NATION, WHETHER SADDAM HAS BEEN REMOVED OR NOT. THERE WILL NEVER BE ANY MORE A BRIDGE ON THE SHOULDERS OF NORTH AND [redacted] FOR THE TWO COUNTRIES TO CROSS. END OF THE MESSAGE.

[redacted]

HAKIM: ((INTERPRETING)) LET US ESTABLISH THIS BRIDGE AND EXPAND IT.

[redacted]

HAKIM: ((INTERPRETING)) IN THE ((FEW WORDS MISSED)) WE WILL CONTINUE WITH OUR WAY, AND THE EIGHT YEARS OF REVOLUTION HAS SHOWN THIS.

CAVE: I [illegible] WE BETTER GET THAT LIST, BECAUSE THE KUWAIT THING IS ON

SECORD: O[illegible]NG WE NEED TO DO IS TO CROSSCHECK HIS FARSI IN THE T[illegible]ATION WITH OUR ENGLISH TRANSLATION.

CAVE: BECAUSE THERE'S A SERIOUS MISUNDERSTANDING THAT HE HAS

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HAKIM INTERPRETS.

NORTH: JUST ONE THING VERY QUICKLY. IT IS IMPORTANT WHEN YOU GO HOME, THAT YOU VERY PRIVATELY EXPLAIN THAT WE HAVE ALREADY STARTED ON THE KUWAITI ISSUE. AND PLEASE GO THROUGH YOUR NOTES CAREFULLY ON THAT ISSUE BECAUSE ALL THE KUWAITIS ARE LOOKING FOR IS AN ASSURANCE OF NO MORE TERRORISM FROM THE DAWA. BUT THAT'S A DIFFICULT THING TO DO, AND I UNDERSTAND THAT--THAT'S WHY IT'S DOWN THERE LATE IN THE LIST. BUT IT'S ONE OF THOSE THINGS THAT IS POSSIBLE, PARTICULARLY AFTER THE WORLD REALIZES THAT YOUR GOVERNMENT AND MINE ARE INDEED WORKING

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HAKIM INTER[illegible]

NORTH: TH[illegible] ARE THE KINDS OF THINGS THAT HAVE TO BE DONE VERY, VERY [illegible]LY, JUST LIKE OUR GOVERNMENTS BEGAN THESE DISCUSSIONS [illegible] VERY SECRETLY.

HAKIM INTERPRETS.

NORTH: NOW I WOULD PROPOSE--I HAVE BEEN TOLD THIS MORNING THAT I [illegible] GO ON ANOTHER MISSION--AND I WOULD PROPOSE THAT WE TRY TO GET TOGETHER AGAIN ABOUT..., IT'S GOING TO EAT THE REST OF OCTOBER FOR ME I THINK...MAYBE SUNDAY, NOVERMBER 2ND, IF YOU WOULD LIKE TO COME TO WASHINGTON, OR MEET SOMEWHERE ELSE.

HAKIM INTERPRETS.

NORTH: THAT WILL GIVE YOU TIME TO GO BACK...

((DISCUSSION HERE ABOUT THE DATE. NORTH SUGGESTS EITHER 2 OR 3 NOVEMBER.))

NORTH: BECAUSE I'VE GOT TO GO TO ICELAND--THEY'RE GOING TO MEET WITH THE PRESIDENT THIS AFTERNOON. I MUST GO TO ICELAND AND THEN I HAVE TO GO DOWN SOUTH. ((FEW WORDS MISSED)) BIG PROBLEMS.

HAKIM INTERPRETS.

((HAKIM AND [redacted] SPEAK QUIETLY.))

HAKIM: WHAT IS YOUR POSITION IN CONNECTION WITH THE TOW MISSILES? YOU DID CONFIRM.

NORTH: I DON'T HAVE A POSITION. MY PRESIDENT HAS ONE. BUT I THINK WHAT IS GOING TO HAPPEN IS HE NEEDS TO KNOW THAT WE'RE HEADED IN A POSITIVE DIRECTION. OK? AND THE PLAN THAT I PROPOSED THERE PROVIDED SOME 2,000 TOW MISSILES.

HAKIM INTERPRETS.

NORTH: THE HAWKS AND SO IN PRINCIPLE, SEE, WE ARE PREPARED TO PROCEED ALONG THOSE LINES. OK?

HAKIM INT[illegible]

CAVE: [illegible] A SUGGESTION. WHY DON'T YOU TAKE THIS, GO OVER IT, AND MAKE [illegible]AT THAT THING ((FEW WORDS MISSED)) TAKE IT BACK TO TEHRAN [illegible]ACT.? WHY DON'T YOU GUYS GO TO THE HOTEL AND WORK ON THAT.

NORTH: THAT'S THE PRESIDENT'S AUTHORIZED LIST. THAT'S ALL HE AUTHORIZED ... IN FACT HE TOLD ME, HE SAID, YOU KNOW, 'DON'T GIVE AWAY MORE THAN YOU HAVE TO.' THAT IS EVERYTHING HE AUTHORIZED ME TO TALK ABOUT.

((CHATTING IN BACKGROUND, CLOSING OF BRIEFCASES.))

CAVE: BEFORE THE MEETING IN NOVEMBER WE WOULD LIKE TO HAVE IT BE VERY CLEAR AS TO WHAT WE'RE GOING TO DISCUSS AT THE MEETING.

NORTH: I WOULD SUGGEST THAT WHAT WE DISCUSS ARE THE POINTS THAT I GAVE

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[redacted] YOU— [illegible]

CAVE INTERPRETS.

NORTH: [redacted] THE THINGS THAT WE'RE VERY CONCERNED ABOUT IS GETTING SET [redacted] COMMUNICATIONS ?THING? BECAUSE THE TELEPHONE CALLS [redacted]

((CHATTING ABOUT NORTH GOING TO THE AIRPORT, ETC.))

NORTH: ((TO [redacted] I LIKED YOUR ANALOGY. YOU HAVE STRONG SHOULDERS I'VE SEEN TOO MANY GOOD MEN DIE; I WANT BETTER FOR YOU.

((MORE CHATTING ABOUT DEPARTURE PLANS. GATHERING UP OF PAPERS. CLOSING OF BRIEFCASES. AMERICANS DEPART. IRANIANS SPEAK INAUDIBLY.))

END TAPE 16, SIDE B

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Chapter 14, Footnote 2
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14-209

8 October, 1986
Evening until midnight

[illegible]. Iran would pay to Mr. Hakim the price of 500 TOW [illegible]iles],--and if so desired--the Hawk parts that remain from [illegible]ous agreement.

[illegible] Nine [illegible]ng days later--should Iran agree--five h[illegible] TOW'[illegible]ell as Hawks together with donated medicines wi[illegible] to Iran.

[illegible]o fulfilling the provisions of paragraph number 4, Alb[illegible]ill submit the plan for the release of the Kuwaitis [17 persons].

4. One and one-half American hostages in Lebanon (one with certainty and possibly two through persistent effort) [sic] to be released from the Lebanese through Iran's effort, (3-4 days after the delivery of the cargo mentioned in paragraph 2).

5. Through a method for opening of credit to be studied by Albert and [redacted] tomorrow night: Five hundred TOW missiles with a maximum [illegible]e hundred launchers to be delivered to Iran within [illegible] days after fulfilling the provisions of paragraph [illegible] Iran will pay for 1500 TOW's (500 received and [illegible] future ones).
And the 1,000 TOW's will [illegible]elivered to Iran within nine days.

6. The United States sh[illegible]tart and implement the technical support (both in g[illegible]and expertise) for Hawks as well as the rejuvenation of [illegible]ary information [intelligence] and maps and special communi[illegible]n. And it [the U.S.] will submit to Iran the price schedule and time table for the delivery of [redacted] items.

7. Prior to return of [redacted] to Tehran, the question of Muslim (Shi'a) prisoners in Lebanon and the process for their release by the parties involved shall be discussed with Secord.

8. Iran shall pursue its efforts for the creation of [proper] background for the release of other hostages.

9. Steps to be taken for the submission of items mentioned in parag[illegible] 6, second sentence.

END

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Partially Declassified/Released on 4/26/88
under provisions of E.O. 12356
by B. Reger, National Security Council

THIS IS FIRST DRAFT OF 9 POIN[illegible] THE[illegible]ERE SUBSEQUENT REFINEMENTS WHICH ARE [illegible]ly AV[illegible]ABLE AT THE NSC.

C11N 3961

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Executive Registry 19653

[illegible] [redacted] WHITE HOUSE COMMUNICATIONS AGENCY

Chapter 14
Footnotes 210-211

N 12176

N2

[redacted]

[redacted]

MSG FROM: NSOLB --CPUA TO: NSJMP --CPUA 10/10/86 21:55:31
To: NSJMP --CPUA

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*** Reply to note of 10/02/86 20:04
NOTE FROM: OLIVER NORTH
Subject: Iran

Copp has just returned from Frankfurt. According to both he and Sam, my donkey act with [redacted] had quite an effect. [redacted] told Dick that if we returned home without the hope of further help that he "would be sent back to the front." [redacted] gave Dick a proposal closer to the line in my original seven points and asked Dick if there was any way that he could get us to meet before the 3 Nov. meeting I had suggested. Dick told him that he wd pass the points on but cd not guarantee anything. Points as follows:

1. They pay $3.6M next week.
2. We deliver 500 TOWs (no Hawk parts) 9 days after payment.
3. Copp & Sam help prepare a plan for approaching the Kuwaitis to guarantee no more terrorism against the Emir and by which the Emir will use a religious occasion to release some of the Dawa. They will take this plan to the Hizballah as their idea (face saving gesture w/ the Hizb.).
4. Two hostages (if possible, but no less than one) released w/in 9 days of TOW delivery. If only one hostage released, whole process stops and we meet again.

5. Repeat funding and Delivery cycle as in steps 1 & 2 above.

6. We send Tech support for HAWKs, update on intel and secure comm team to Tehran and provide location/availability of artillery items noted on the original list provided by [redacted] in Washington mtg.

7. Iran does utmost to secure release of remaining hostage(s).

[redacted]

Both Sam and Copp believe that we should let them stew in Tehran for a few more days and then accept the proposal indicated above. [redacted] Only changes from my proposal is sequential nature of [illegible] lack of mention of Buckley body & transcript of interrogation. [redacted] Dick and Sam believe that we will [redacted] get two back for nothing more than the two sets of 500 TOWs. They point out that the rest of what the Iranians want (a plan for approaching the Kuwaitis, the location/availability of the artillery, and the intel) all can be managed w/o any great complications. [redacted] Cave and Casey all seem to be convinced that this is best/fastest way to get two more out - probably w/in next 10 days. [redacted] also notes that the situation in Leb is getting much worse and that we may be getting close to the end of the line for any further movement. Finally, all here now believe that these guys do

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14-210+211

See Hearing Exhibit OLN-136

14-214-216

See Hearing Exhibit OLN-312

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under provisions of E.O. 12356
by B. Reger, National Security Council

1503

MEMORANDUM OF CONVERSATION

PARTICIPANTS:	U.S.:	Oliver North Richard Secord Sam O'Neill	Iranian:	[redacted]

14-221

First session convened in the Old Executive Office Building at 12:15 p.m. on Friday, September 19, 1986. [redacted] opened the session, and after preliminary pleasantries, outlined four points which he wished to address initially. One, the Iranian position vs. what they perceive to be the U.S.'s number one enemy -- Russia. Second, their view of American and Iranian strategic interests in the area. Third, past relations of the United States with revolutionary Iran. Fourth, their views for future relations with the United States.

[redacted] then launched into a lengthy exposition with respect to the foregoing issues. He said that the Soviets are a great and aggressive power with a long border with Iran. They recognize that Russia is a direct enemy of the United States and that, with respect to Iranian interests, they do not wish to have antagonistic relations with the USSR, but on the other hand being a friend of the Soviets could be even more dangerous because Soviet ideology is directly opposed to Iran's. They also recognize that their brothers in Afghanistan are suffering under the Soviets. Finally, the Soviets are directly supporting the Iraqis in the war against the Iranians and killing Iranian soldiers. Back to the question of the long border with Russia, [redacted] noted Secord statement in Brussels to the effect that the United States would oppose a Soviet thrust into Iran with or without support of the Government of Iran. The Government of Iran found this statement to be interesting and comforting. The leaders of Iran are very worried today about the "fantastic" increase of Soviet intelligence operations in Iran in recent times. [redacted] The Soviets are attempting to exploit Iranian internal problems. He went on to acknowledge that the revolutionary environment in Iran has many weaknesses. Their security services are weak for instance. [redacted]

[redacted] next turned to relations between the Government of Iran and the United States Government. He says that some cooperation is necessary in their view. [redacted]

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P 59

[redacted] Next, Iran needs U.S. influence with the Arab countries friendly to the United States in order to help diminish support for Iraq. Third is the matter of oil, which is vital to Iranian economy. They need U.S. support in this matter. Fourth and most important, he said, is the security of the Gulf and terrorism against U.S. interests and hostages.

[redacted] said he wanted to make these things clear and one of the Iranian leaders in particular has asked that he make this message very clear. [redacted]

On the subject of security, [redacted] said this has two aspects: One is the fear of the flood of terrorism in the region and the second is the overall effects of the current war. With respect to terrorists and hostages, he said that the Shiite religion under the Aytollah is absolutely opposed to terrorism and the taking of hostages. For instance, after the explosions in Lebanon, the Aytollah wrote a "Fatwa," which is a religious ruling absolutely opposing terrorism and the taking of hostages. But, we the United States have to understand that Iran still does not have strong, effective security forces and firm control. [redacted] admits that there are people within Iran who do espouse hostage taking and terrorism. [redacted]

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[redacted] The Government of Iran needs more information in order to confront them and they would like to have this from the United States. [redacted] emphasized that from the standpoint of humanity, Iran is against hostage taking and terrorism and even has a certain amount of sympathy for the U.S. at the current time. In the case of Lebanon, Iran considers that they have in the past been helpful to the U.S. In the TWA hijacking, in getting information on the hostages and in the release of two hostages, Iran has already helped. [redacted] said that the Iranians have attraction in places like Lebanon because of the "right-minded masses of peoples' sympathy" for the Iranian revolution. But he said that both Iran and the United States are victims of this hostage business. He next turned to the Iran-Iraq war. Iran, he said, needs a "victory" and that he will explain what he means by victory. Lack of security in Iran is a real problem for the United States. Secord's comments in Brussels were well received and his analysis of the war was keenly received by the leadership in Iran. [redacted]

With respect to United States and Iran, [redacted] provided a quick analysis. Until two years ago, it was difficult for anyone in Iran to consider any kind of United States Government/Iranian relations. There were several probes in the past two years and he wanted to know if they were real. [redacted] And finally, what [redacted] regarded as the worst channel, they've also received numerous probes and letters from an unnamed arms dealer in Europe. Some in Iran believed in these probes from the arms dealers, but "I personally," [redacted] said, "did not believe in them." [redacted] claimed to have been working on this opening of relations

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with the U.S. for two years now and that the real problem is the lack of communications. "One and a half years ago, an arms dealer came, allegedly with word from [redacted] about exchanging two hostages for arms. We don't trust this arms dealer. After the discussions with Secord and Hakim in Brussels, the leadership has come up with the idea of forming a 'joint committee' that would sit down and resolve the problems step-by-step and that we have a great opportunity to do this now."

[redacted] went on to emphasize the critical importance of this direct meeting here in Washington. "A stage-by-stage plan is needed with which both sides can agree and we need to get on with it quickly while the opportunity is still here."

North responded. "Happy you are here and hope that there is now no doubt that you are talking directly with the Government of the United States directly."

"We understand your problems with respect to channels of communications. We have had the same problem. In all honesty, we are still not in a position to have very good relations, but we are certainly interested in a step-by-step approach to the problem. We have received assurances from General Secord about the genuineness of this particular channel to Iran and, therefore, the President has authorized this meeting. I understand your sensitivity on this, because it is important to have good communications in order to proceed. [redacted] We recognize that your connection with the arms dealer, Ghorbanifar, was not acceptable and is not acceptable to us either. However, he did bring us into contact with an official of the Government of Iran [redacted] This was our first meeting with a Government of Iran official in over six years. As you know now after meetings in Germany with [redacted] we arranged for a delegation to go to Tehran. The President chose a most trusted adviser to lead this mission -- Robert McFarlane. The reason why we went to Tehran was to try to establish the channel of which you now speak. Unfortunately, we met with only a few officials most of whom used false names. We met with none of the people that we expected to meet with and the meeting was a great disappointment to our President."

[redacted] interjected that it is important for him to know the names of the people. In the discussion insued as to what the people looked

like and what assumed names they used. North continued. "You should understand that this meeting in Tehran was a great disappointment to us. It has been difficult since then to convince the leadership here of the need to try to continue in the face of that failure. While we were there, we even prepared a draft Memorandum of Understanding to establish this channel. We understood the need for secrecy and I can show you this draft here now, if you wish to read it.:

"There are a number of things which you should understand about why we have pursued this attempt to be in contact with your government. President Reagan is a very strong and popular President. He has helped the United States to recover from a period of economic and military weakness. He has restored economic and military strength to the U.S. Most important, he has restored the will of American people. The U.S. is no longer afraid to use its power in its own defense, and it is not intimidated by the Soviets. Yesterday, we expelled 25 Soviets from the United Nations. We will not give in to Soviet pressure in Afghanistan, Angola, or Central America. The United States wants relations on the basis of reciprocity with all states and, of course, this includes Iran. We want to solve our disputes through discussions not through fighting. The United States believes that many trends are working in its favor -- economy, technology, politics, all working in favor of the United States. Reagan has two more years and has a strong moral position in the eyes of the United States and of the world. The President strongly believes in the words of the Holy Book as do you. He believes deeply in the teachings of the God of Abraham. Thus, he is very popular here and should be popular in the world of Islam. When we went to Tehran, he said to tell you that we accept your revolution as a fact. We admit that there have been missteps along the road since the revolution, but it is important to tell you that there is a responsible and sincere wish in the leadership here to establish communications/relations with Iran. Therefore, we must speak frankly in order to facilitate this. Our policy is based, not on emotion, but on perceptions built-up over the years. There are many things that you have said which we can agree to, but there is a perception that Iran has used revolutionary Islam against the United States. For example, it is clear that some in the Government of Iran have encouraged the taking of U.S. hostages as a means of getting back convicted prisoners held by the Kuwaitis and that there has been a direct connection between the Da'wa, Hizballah, and elements inside the Government of Iran. Therefore, since we're a democracy, as long as this perception exists, we have a great obstacle in the way of doing what the President wants and what you say Iran wants. Also, we see anti-U.S. activity emanting from Iran in Central America."

[redacted] questioned the basis for this information. North responded. "This is all based on accurate intelligence. For example, in Nicaragua, Iran actively supports the communist government there and Iran plans to ship 10,000 rifles and other munitions to Nicaragua through North Korea. These activities serve Soviet interests and in the long-term jeopardize Iran and the United States. In spite of this, the President has directed us to proceed with attempt to establish discrete and, when appropriate, a public relationship with Iran. The President's direction is based on two important principals: One, concern over the Soviets vis-a-vis Iran and; two, our desire to ensure the territorial integrity of Iran and the other Gulf States. We accept the revolution as a fact. The territorial integrity of Iran and the other states in the region are of great importance to the United States. [redacted] The United States does not wish to see Iran lose. We do not want to see an attempt against Iraq which will bring in the Soviets. The Soviets, on the other hand, are in a difficult position. Their economy is a disaster; they've suffered major reverses, for instance, Chernobol; Soviet defectors are showing up all over the world; Soviet ships run into each other in the Black Sea; Soviet submarine-launched missiles accidentally land in China. Last week, six Soviets were killed in Peru. They see the Iran-Iraq war and Afghanistan as very important to them, but neither of these wars are going well for them. They have two things, however, that are advantageous to them. One is great military power, capable of intimidating their neighbors; and two is a very, very effective KGB. We believe that they are capable of using these two instruments of power. Therefore, we understand that Iran can be not their enemy, nor their friend. We have common interests. Iran's continuation as a sovereign state is something that we desire. We have no interest in an Iraqi victory. You might remember that we had no relations with Iraq during the years of the Shah or even during the revolutionary period right after the Shah. We're willing to serve in some role which would end the conflict honorably for Iran. [redacted]

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[redacted] The U.S. has no illusions, however, about future Iranian relations. The right way is to proceed carefully and quitely. For example, Soviet anxiety could be quickly raised if they knew that we were trying to reestablish relations. We have shared interests for the long-term. We are prepared to improve on the situation that exists now and to do it in a step-by-step way. However, it's really up to Iran, we are ready."

[redacted] responded. "Regarding the need for Iran to achieve victory, it is not necessary that we achieve a big decisive military victory, but some kind of victory. Only in the last two years, has our approach with the United States been seen as possible, but it is most important to note that the important thing from Iranian perspective is to get Saddam Hussein out. This can be done by the Arabs. We have no territorial designs on Iraq. We have in fact given orders that no Iranian troops on Iraqi territory will display our flag. Iran wants a government in Baghdad that they can live with. The United States can help with the friendly Arabs."

North responded. [redacted] In regard to the points [redacted] made: "We were working with Ghorbanifar to make contact, but the letters provided by him to Iran describing our willingness to do certain things were not authorized. Only the document which we produced in Tehran, of which I have provided you a copy, was authorized. [redacted] I want to tell you that unless one of the three men sitting here in the room right now (North, Secord, Sam O'Neill) contact you, there is no official message. With respect to the document we prepared in Tehran, you will note a considerable emphasis on hostages. We consider them to be an obstacle. An obstacle to the understanding of the American people. The widespread perception here in America is that Iran is basically responsible for these hostages. The issue of hostages and terrorism must be dealt with since it is a political obstacle. On the other hand, you should realize that 52,000 people in the U.S. died last year in automobile accidents and 130,000 people died from lung cancer. Five U.S. hostages rarely make the newspapers or the television, but because this is a democracy, if the President is found to be helping Iran with this obstacle still in the way, it would be very difficult to explain to our people."

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"From the first, with [redacted] and Ghorbanifar, we have said let's get this issue -- the hostages -- behind us. We recognized that this would be undertaken as a humanitarian gesture on the part of the Iranian Government. [redacted] and to demonstrate our sincerity, at one point, we directed the delivery of 500 TOW missiles and eight hours later they were delivered into Bandar Abbas. But instead of responding favorably, 'rug merchant' type moves resulted, prices were talked about, prices were established for human lives. For instance, 'so many items for so many hostages.' We don't consider this to be a responsible government action and not one that the United States is prepared to engage in."

"We are prepared to continue to provide to Iran items which will help in her defense; but we wish to see the hostage issue behind us so that we can move onward. We have certain items of equipment already prepared for shipment. But you must understand, we cannot give them away. They have to be purchased."

[redacted] interjected with humor saying "haven't they already been paid?"

North responded saying that the TOWs and certain improved HAWK spares had been delivered and paid for, but the intermediary, Ghorbanifar, was complaining that the had not been fully paid.

[redacted] interjected with a political point. He said he agreed that the obstacle had to be removed, but we have to make it much more official and deal directly. Our government thinks that dealing through someone like Secord is a better way to go because they trust him. They don't expect factory prices, but they don't want the same situation to exist that exists today.

North responded saying that "Ghorbanifar always claims to be borrowing and then getting paid in part and rolling debts forward and raising costs and it is very, very confusing and its impossible for us to follow exactly what it is that he is doing. However, Ghorbanifar knows a great deal and he could be harmful to us if he were to go public and this is the problem which we wish to address. We think that Iran should pay him whatever they owe him so he will be quiet and stay off the air."

[redacted] responded that he has gotten all his money but he will look into it.

North said that we would be happy never to deal with Ghorbanifar again but, if he is to keep quiet, his debt should be paid. "We risk a great deal if we are compromised this early in the game. To be honest, I would just as soon not deal with [redacted] either, but this is an Iranian matter."

[redacted] continued. "It's good that you established your initial contact with [redacted] This was important to the people in Tehran although it was not successful, and the proper people were never made aware and poor coordination was done and the meeting was not planned properly and it was, thus, very premature. Still it was important that we did establish initially at least contact with [redacted] because this was a pioneering move and [redacted] would not be in Washington now were it not for this initial opening."

North responded. "We are confident that you represent the Government of Iran and to his credit, as I said, [redacted] did have the first meeting with us in six years. This meeting that we're having now should do much to instill confidence in our two capitals and, if we can proceed, it will be very good. [redacted] Earlier you mentioned concern for security and concern over terrorism in our airlines and this we appreciate. The Government of Iran announcement that the Pan Am aircraft hijacked in Karachi could not come to Iran was much appreciated. As a further demonstration of our sincerity, we will arrange that next week on Voice of America the United States Government will thank those countries who were involved in helping in the Karachi hijacking and, for the first time, we will mention Iran as having acted in a positive way. It will be done very discretely in a editorial on VOA. Obviously, we cannot have the President go out announce an Embassy is being opened in Tehran. You would have a domestic, political problem and so would we. Thus, back to our obstacle: Truly we wish to get it behind us. We recognize that Tehran does not exercise absolute control over Hizballah, Amal, or Islamic Jihad; but we also know that you can help resolve this issue."

[redacted] responded that the issue "would be resolved." The question of who [redacted] is and what his background is was then raised by North and [redacted] responded that he was a trusted agent of Iran; he had been a loyal officer and now was a businessman and that they had complete confidence in him. North responded we know very little bit about this man and we are obviously concerned for security; we are concerned with the KGB penetrations and so on.

[redacted] responded that he too was concerned over this sort of thing. He also said that with respect to Mr. Hakim, whom he personally liked and wanted to see involved, some in Tehran regard him as a CIA agent. North responded that Hakim was never a spy for the United States; that he has been a consultant to our government on Iranian affairs from time to time; that he had full trust and confidence as a man who wanted to see improvement for the Iranian people and improvement in relations between our two countries.

Because of the requirement for secret communications, he has acted on our behalf and we have investigated him as we investigate everyone. This is important to him because of his interest in the country of his birth and the country of his citizenship. We will include both he and [redacted] in whatever sessions that you wish to have them involved in -- you simply have to tell us.

[redacted] turned back to [redacted] He said that he is certain that has not been profiteering, but instead has been working sincerely but, he [redacted] is a simple man and he could not continue on with this complex relationship.

North said we tend to believe this. "Sam, here, has often talked with [redacted] and there is always inconsistency between what he says and what Gorba claims."

[redacted]

North said that we are concerned that the Soviets not become aware of any U.S. Government or Iranian Government relationship. "In Tehran, we recommended that we set-up a secure communication station and this would require us to send two of our men to Tehran to man and operate the station. This would give us good secure communications and would thwart the KGB. We are very concerned about KGB efforts to penetrate any relationship we might establish with the Government of Iran. The Iranian idea for a joint committee elsewhere seems to be a good idea, in principle. Meeting somewhere in Europe is probably the way in which we should proceed to manage this beginning relationship. The problem is that we have to set up some place where it won't be penetrated by the KGB. We are very concerned about communications and the Soviets' ability to intercept."

[redacted] responded that he agreed about the KGB and would like to use a single courier from Iran to Frankfurt via Iran Air from now on until secure communications could be established.

North asked [redacted] if he wants [redacted] on this joint committee?

[redacted] said, "Yes, but only for logisitical purposes. I want to give more thought to [redacted] and how he can work with Hakim." With respect to Ghorbanifar, [redacted] said they want to get him out of the loop as soon as they can. He's been profiteering and people in Iran fear that they will be accused of being profiteers.

North responded that Ghorbanifar has some strong Tehran connections that we know of and this remains a problem that needs to be solved. [redacted] said that our recent contacts with [redacted] have been very well handled [redacted] With respect to the hostage issue, he wants to get it resolved as quickly as possible and he is confident that they can resolve it. He said that Iran wants to make this a full exchange. For instance, "we have in mind to give you fellows T-72 tank, for example."

North again expressed concern about security and about Ghorbanifar, in particular. North also stated that we believe that the oil market is naturally depressed and there is certainly no collusion between ourselves and the Saudis or others to keep prices low, but he agreed that the U.S. and Iran have similar interests with respect to oil.

[redacted] returned then to the subject of Buckley. [redacted] He said that he wanted to assure us that Buckley was not killed; that he died of natural causes; that he had three heart attacks. He also assured that he had been told that the others are all in good shape. He said that there are video tapes of them recently, talking for 20 minutes each and that these will be distributed to news agencies. [redacted] also said that there was one letter sent out.

North confirmed that one of the hostage relatives received a letter within a day or so of it being written. North then said that we want all the hostages out [redacted]

At 1800 hours, the first session ended with a short break and then Albert Hakim and [redacted] joined the group. After being joined by the others, [redacted] then said that he was growing tired and asked General Secord to read off the list of Iranian needs which were headed up first by intelligence exchange. [redacted]

North reviewed the list of logistics support items being requested and responded that, in principle, to the extent that items are available either here or elsewhere there isn't a particular problem. "But as we emphasized to [redacted] in Tehran, we think that you might be thinking too small. People preparing lists are only thinking of the very short-term. We, the U.S., look at two million Iranians without homes; half the oil production facilities knocked out; yesterday's attack on Kharg Island, for instance, is a good example; medical supplies being in great shortage, even shortages of food; and so on. We think that the Iranian planners should be talking to us about other than simple weapons requests. [redacted] The United States is interested in helping stop the killing and to provide for an adequate defense. We cannot just do these things willy-nilly. For example: 10,000 175mm RAP rounds is not a

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whose office?

reasonabl [redacted] ber of items and it would
take a lo that we have that many in
inventory. to go $5M worth of HAWK
spare part , you need technical
assistance s who are adequately
trained, a re useless and just
exacerbate hy the President agreed
to the TOW e been shipped so far, is
because th Iraq and the Soviets as
well. Aga l. For example, we have
offered to rough Albert Hakim's
organizati uppliers could be more
valuable pe than all the artillery ammunition we could
send."

"The authorities recognize the need for technical assistance. This was pointed out by General Secord in the Brussels' discussions and we should understand that they really inherited nothing from the Shah in the way of an army. The army was disorganized and very disarrayed. The lower echelon officers, as well as the higher echelon officers, were worth very little. They picked the first steps in this war with the army of the people, the revolutionary guards." He recalled earlier that in a meeting with [redacted] some of the military officers said that they had to have one tank for every Iraqi tank, one plane for every Iraqi plane. "This was not practical and, therefore, over time it was decided that the Iranian revolutionary guard, the army of the people, would be used to repell the enemy. Since then, of course, it has become more technological in nature and there are minimum levels of technological assistance and equipment we badly need and the United States can be very helpful in providing these. Therefore, they are looking forward to trying to establish a decent relationship on a secret basis at first."

At 2015, it was agreed to stop for the day and reconvene on Saturday, September 20, for further discussions.

The session continued on September 20, at 0935 hours in an office near the Sheraton Tysons' Hotel, where [redacted] was staying. Present for the U.S. side were Oliver North, Sam O'Neill, and R. Secord. Only [redacted] represented the Iranian side during these initial discussions.

North opened the session by saying that he would like to make some comments about the logistics support items on the list [redacted] had provided the day before. "We would like the leadership of Iran to know that President Reagan is aware that the Iranians have immediate needs; that, while we are sympathetic, we're not just interested in being simply an arms dealer; that we are

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interested in helping the immediate defensive needs in such a way that Iran does not lose the war. We also want to help you with some immediate domestic requirements and we want to help you end the war honorably. The President is willing to play whatever role necessary to help end the war in an honorable fashion."

[redacted] said that perhaps we need a secret exchange of letters between our leaders and he will address this upon return to Tehran. [redacted] stated that after we establish a basis for a relationship, all problems can be addressed. He said that he is completely in agreement with the point about not relying on the arms dealers or other non-official entities. On immediate needs, he could right now order the money to be paid for any of the items that might be available. He said that he could even get the money by telephone.

North said that we believe that this has to done in absolute secrecy.

[redacted] interrupted describing the difficulty of conducting discussions in Tehran. For example, there are three different groups that usually have to be consulted. Also in preparing for the coming offensive, they have shortages in some of the equipments and these are the ones that are mentioned in his list [redacted] With respect to finances since we don't have a formal relationship, we have to do these transactions in a very secret fashion and since our laws are very specific, we have to have payment before delivery of any hardware.

At this point, [redacted] requested that the entire group meet and [redacted] [redacted] and Albert Hakim joined the meeting.

North then stated again that we are trying to get past the issue of the hostages and, in the past, to show our good faith, we have moved certain items to Iran. We are also trying to do things with secrecy. We understand that with normal relations it's going to take time.

Secrecy takes longer and it costs more. With Ghorbanifar and [redacted] we have had a lengthy debate about prices for HAWK spare parts, with [redacted] claiming that we have charged six

times more than the microfische prices which he has discovered somewhere. "This has caused great of difficulty for us. [redacted] has misinterpretated the microfische. We've traced it back to its origins; it's not relevant. But communicating adequately has been next to impossible." Then North gave a short description of how U.S. military equipment is priced; manufacturers' prices; prices to our own forces; prices to allies; and the impact on overall price for the different modes of transfer. North closed by noting that the President has authorized the transfer of a number of TOWs and some HAWK missile parts in connection with this relationship. "In order to maintain secrecy, we have to sanitize the equipment; that is to remove all the original identifying markings and then we have to ship these items through a circuitous route and Israel, as you know, has been involved in this in the past. Thus, not only the time but also the price goes up when using such a complex method to procure and deliver such items." If it is helpful in getting past this obstacle of the hostages, we are prepared to go forward as requested by [redacted] if your leadership is ready. We are prepared to go forward with those items which are already prepared for shipment, i.e., additional HAWK missile spares and TOWs and with prices that are well understood in advance."

A discussion of the pricing then ensued and the price list was given to [redacted] which he said he understood and so did [redacted] [redacted]. North then noted that we needed to get rid of the hostage issue as soon as possible so that we could proceed on and establish a relationship which we both recognized as necessary and in the interest of both countries. "We recognize that the influence of Iran is indirect in many cases with the groups in Lebanon and we understand it is a difficult issue. We have offered in the past to give Iran credit as a humanitarian gesture if Iran wants this credit. It's an important point and we have to get past it. I want to tell you that with respect to the issue of the Da'wa prisoners held in Kuwait, we cannot go back to the Government of Kuwait on this issue. But I believe that the Government of Kuwait is prepared to release prisoners in a phased way if the Government of Iran goes privately to Kuwait and promises them no terrorism. This seems reasonable -- you should do it. I've been told to reassure the Government of Iran, moreover, that the U.S. citizen, John Pattis, has never been an employee of the United States Government. We did talk to him quite openly, as we talk to many travellers, but he is not a spy and he's not employee of the CIA and he's never employeed by the Government of the United States."

A short break was then taken and the meeting reconvened without [redacted] and without Hakim at 1525 hours.

North pointed out that in regard to [redacted] list of equipment, "most of these items would have to come by ship because they are very big and heavy and only a few could come by aircraft." We need to exchange intelligence by courier. [redacted] We need some time to work this up, but we can do it and would be willing to do it if we can come to some understanding with the Government of Iran. [redacted] And, two, the Soviet propaganda organs would publicize our activities and cause great difficulties for both sides. We understand that you're prepared to go ahead and make transfers of money immediately in order to start shipment; but the U.S. is much more interested in doing it right than in doing it too fast."

[redacted] then stated that trying to get close to Western governments has created certain problems for his group in Tehran. [redacted]

North then stated that we have differences, great differences here. "The situations are not the same. Our President is not running for re-election, as you know. There are two years left in his term and he is sincerely interested in changing the course of history with the U.S.-Iranian relations. He has close advisors and aides, who have seen much of war, and they want to see the war out there ended. There is no effect whatever on American elections, and these hostage issues, as you can see, seldom even make the newspapers. Ronald Reagan would like to end this Iran-Iraq war and you might remember that we talked last night about the United States had a long history of acting as a peacemaker. The United States always has great concern for the suffering of people and we know of the impact of this war overall on Iran."

[redacted] Iran also wants an honorable peace. In return, he expects that Iran will designate three very senior people to go to joint committee meetings. "We could have this joint committee meetings, if you want, by sending a letter to us [redacted] We could also always meet under the cover of a UN meeting. I guarantee you one thing though that I will look into this matter of help to Nicaragua immediately; and, if there is such a thing going on, I will stop it immediately. Again I say I will only use a courier until we can establish secure communications -- until we can set-up these committee meetings." After the meeting, he wanted Secord to be available to talk to him some more. He states further that he will be giving a weekly report on the conditions of the hostages and is now certain that he can bring enough pressure to bear to get them released. He will give us at least two days warning before they're released. He hoped that the U.S. can play a predominant role in achieving a peace in Lebanon. "Iran agrees completely with respect to an honorable peace with Iraq; however, Sadam Hussein must go from the Iranian point of view." He knows that it is not our policy, but he knows that we can bring our influence to bear with certain friendly Arab nations and it is "within the power of the Arab nations to get rid of Sadam Hussein." [redacted]

At this point, at 1730 hours, we agreed to summarize the two days of meetings. [redacted] stated that he wanted to:

"A. Take steps to form a small staff in Tehran for this project.

B. Make instructions for the transfers of monies after lists are checked and agreed to.

C. Inform his leadership about the Voice of America.

D. Clear the way for the release and form a game plan for the hostages.

E. As soon as possible, have a joint committee meeting which he, [redacted] would attend. And, hopefully within a week or ten days, this could be arranged."

North interjected that he agreed with this summary, but that added the point about the Da'wa hostages and Kuwait and Kuwait's desire for a guarantee against terrori [redacted] ook note of this

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as well. [redacted] closed the session by stating his great appreciation for the hospitality which had been showed by him and North and by all concerned. And, then agreed to establish a brief, very, very brief, ops code for use on the telephone -- simply for the purpose of establishing a place and time of meeting for the joint committee meeting. The meeting ended at 1800 hour.

Comment: During several asides with [redacted], Sam's perception of [redacted] estimate of the two days of discussions is that while [redacted] and we both thought considerable progress was made, [redacted] wanted to discuss the results of the meetings in Washington with responsible officials in Tehran before recommending specific actions and steps be taken. Specific proposals will come at the next meeting with [redacted] and, being Iranian, they will probably be gaged to further tests and assess our sincerity,

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N 2832

October 14, 1986

S/CT PRESS GUIDANCE

LEBANON HOSTAGES: "NEWSWEEK" STORY

Q: Any comment on the "Newsweek" story entitled "America's Forgotten Hostages?"

A: -- WE RECOGNIZE THAT THE FAMILIES OF THE AMERICAN HOSTAGES HAVE BEEN PUT THROUGH AN AGONIZING AND EMOTIONAL ORDEAL, AND WE DEEPLY SYMPATHIZE WITH THEM.

-- THE IMPLICATION IN THE "NEWSWEEK" STORY THAT THE UNITED STATES HAS FORGOTTEN THESE HOSTAGES IS WRONG. THE ADMINISTRATION IS DOING ALL THAT IT CAN TO SECURE THE SAFE RELEASE OF THESE AMERICANS, AND WE CONTINUE TO WORK HARD AND FOLLOW EVERY LEAD ON THIS PRIORITY ISSUE.

Q: Have the hostages been beaten?

A: -- WE HAVE HEARD REPORTS OF BRUTALITY BY THE KIDNAPPERS. WE REPEAT THAT WE HOLD THE KIDNAPPERS FULLY RESPONSIBLE FOR THE SAFETY OF ALL THE AMERICANS WHO ARE HELD.

[illegible] we know where the hostages are?

A: -- WE DO NOT KNOW WHERE THE HOSTAGES ARE AT THIS TIME.

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Q: Can you confirm that the kidnappers belong to the Mugniyah family, part of the Musawi clan, and that some of the prisoners they want released from Kuwait are their cousins?

A: -- WE ARE AWARE OF A POSSIBLE FAMILY CONNECTION BETWEEN THE KIDNAPPERS AND SOME OF THE PRISONERS THEY WANT RELEASED FROM KUWAIT. (No further comment on this.)

Q: Would the kidnappers settle for the release of three Lebanese Shiites held by Kuwait instead of all 17 Dawa prisoners?

A: -- THE KIDNAPPERS DO NOT RESPOND TO OUR LONGSTANDING OFFER OF DIRECT DISCUSSIONS. BECAUSE OF THEIR REFUSAL, WE REMAIN UNAWARE OF ANY CHANGE IN THEIR DEMANDS.

-- THE QUESTION IS NOT WHETHER WE WOULD SEEK THE RELEASE OF 3 OR 17 PRISONERS. WE WILL NOT NEGOTIATE THE EXCHANGE OF INNOCENT AMERICANS FOR THE RELEASE FROM PRISON OF TRIED AND CONVICTED MURDERERS HELD IN A THIRD COUNTRY, NOR WILL WE PRESSURE OTHER NATIONS TO DO SO. TO MAKE SUCH CONCESSIONS WOULD JEOPARDIZE THE SAFETY OF OTHER AMERICAN CITIZENS AND WOULD ONLY ENCOURAGE MORE TERRORISM.

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N 2834

Q: Did the U.S. ever demand that the families keep quiet or the hostages would be killed?

A: - WE HAVE NEVER DEMANDED THAT THE FAMILIES REMAIN SILENT. WHAT WE HAVE TRIED TO STRESS IN MEETINGS WITH THE FAMILIES IS THAT PUBLIC DISCUSSION OF OUR EFFORTS TO GAIN THE HOSTAGES' RELEASE COULD LEND ENCOURAGEMENT TO THE KIDNAPPERS IN LEBANON THAT THE U.S. MIGHT SUCCUMB TO THE PRESSURE AND TO CRIMINALS ELSEWHERE AROUND THE WORLD THAT AMERICANS ARE FAIR GAME.

Q: Did the U.S. tell Peggy Say during the TWA 847 hijacking "not to even ask for Terry and the others (hostages), and don't say anything to connect your hostages to the TWA ones?"

A: ~~DURING THE TWA HIJACKING, THE DEPARTMENT WAS OPERATING A 24-HOUR TASK FORCE, AND WE DON'T KNOW WHO MAY HAVE SPOKEN WITH MRS. SAY AT THAT TIME.~~ [THE FACT IS THAT] EACH GROUP OF HOSTAGES WAS BEING HELD INDEPENDENT OF THE OTHER GROUP, AND THE U.S. WAS WORKING TO RESOLVE BOTH SITUATIONS ~~SEPARATELY.~~ WE HAD HOPED THAT THE TWA INCIDENT COULD BE USED AS A CATALYST TO FREE ALL THE REMAINING HOSTAGES, AND WE WORKED AT THE HIGHEST LEVELS [illegible] BRING THAT ABOUT. UNFORTUNATELY, WE WERE UNSUCCESSFUL.

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- 4 -

N 2835

Q: Did the U.S. ever withhold from the hostage families letters written by the hostages?

A: -- WE HAVE NEVER WITHHELD SUCH LETTERS FROM THE HOSTAGE FAMILIES.

Q: Did Libya purchase and subsequently murder three hostages following the U.S. military strike in April?

A: -- THAT REPORT IS NOT NEW. FOLLOWING THE MURDER OF TWO BRITISH HOSTAGES IN APRIL, BRITISH FOREIGN SECRETARY HOWE PUBLICLY IMPLICATED LIBYA.

Drafted:S/CT:JReap
Doc. 0018J
Cleared:S/CT:LPBremer
S/CT:PWBorg
CA/OCS:JAdams
NEA/ARN:JMcVerry
NEA/P:ABerger

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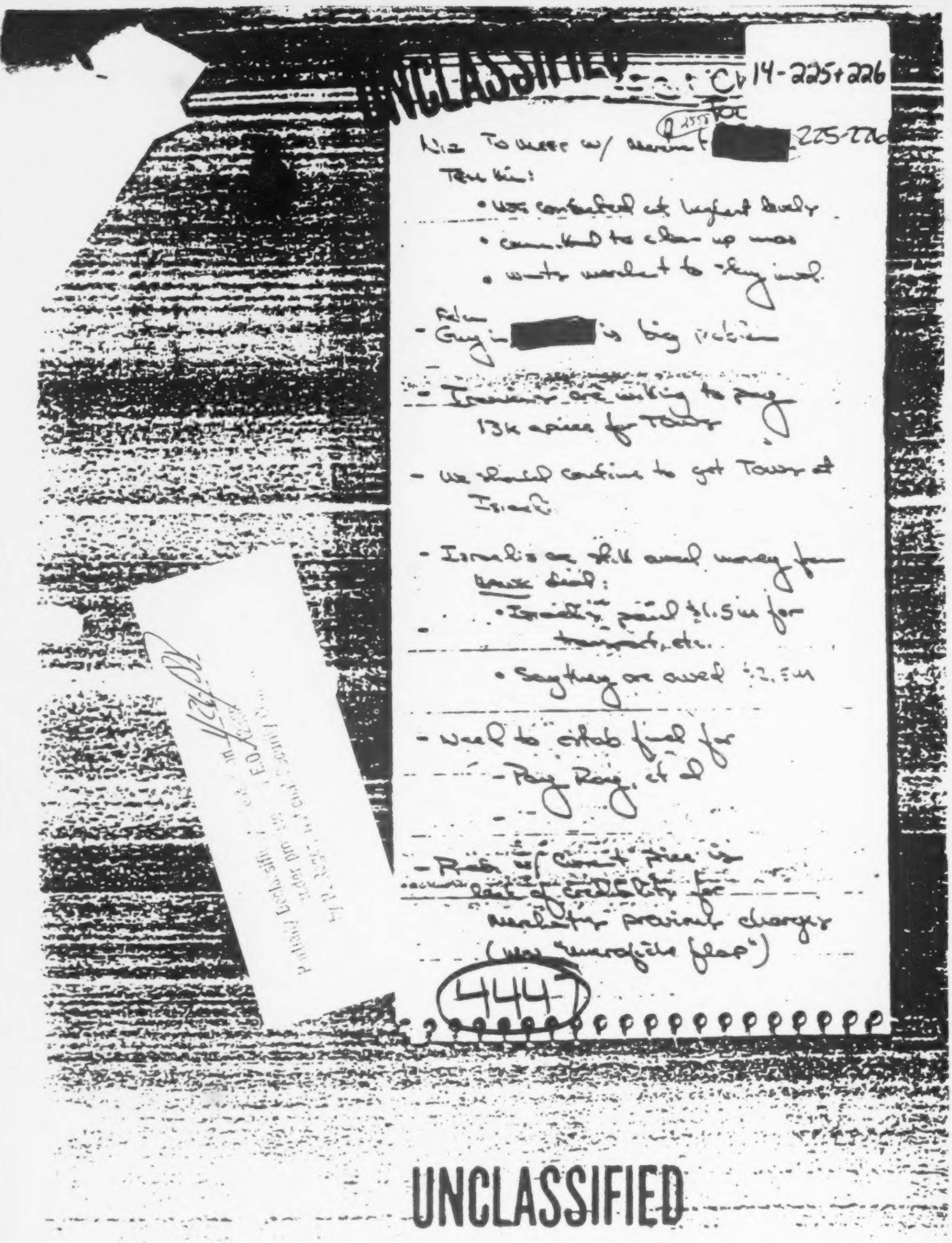

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Ch 14-225+226

2553

Nir To meet w/ [illegible] [redacted] 225-226

Told him:

- US contacted at highest levels
- committed to clean up mess
- wants weekend to [illegible]

Felix

- Guy in [redacted] is big problem

- Iranians are willing to pay 13k apiece for TOWs

- We should continue to get TOWs at Israel?

- Israelis are still owed money for [illegible] deal:
  - Israelis paid $1.5m for transport, etc.
  - Say they are owed $2.5M

- Need to estab fund for
  - Pay Roy, et al

- Risk of Covert Piece is lack of credibility for [illegible] previous charges (was "microfiche flap")

444

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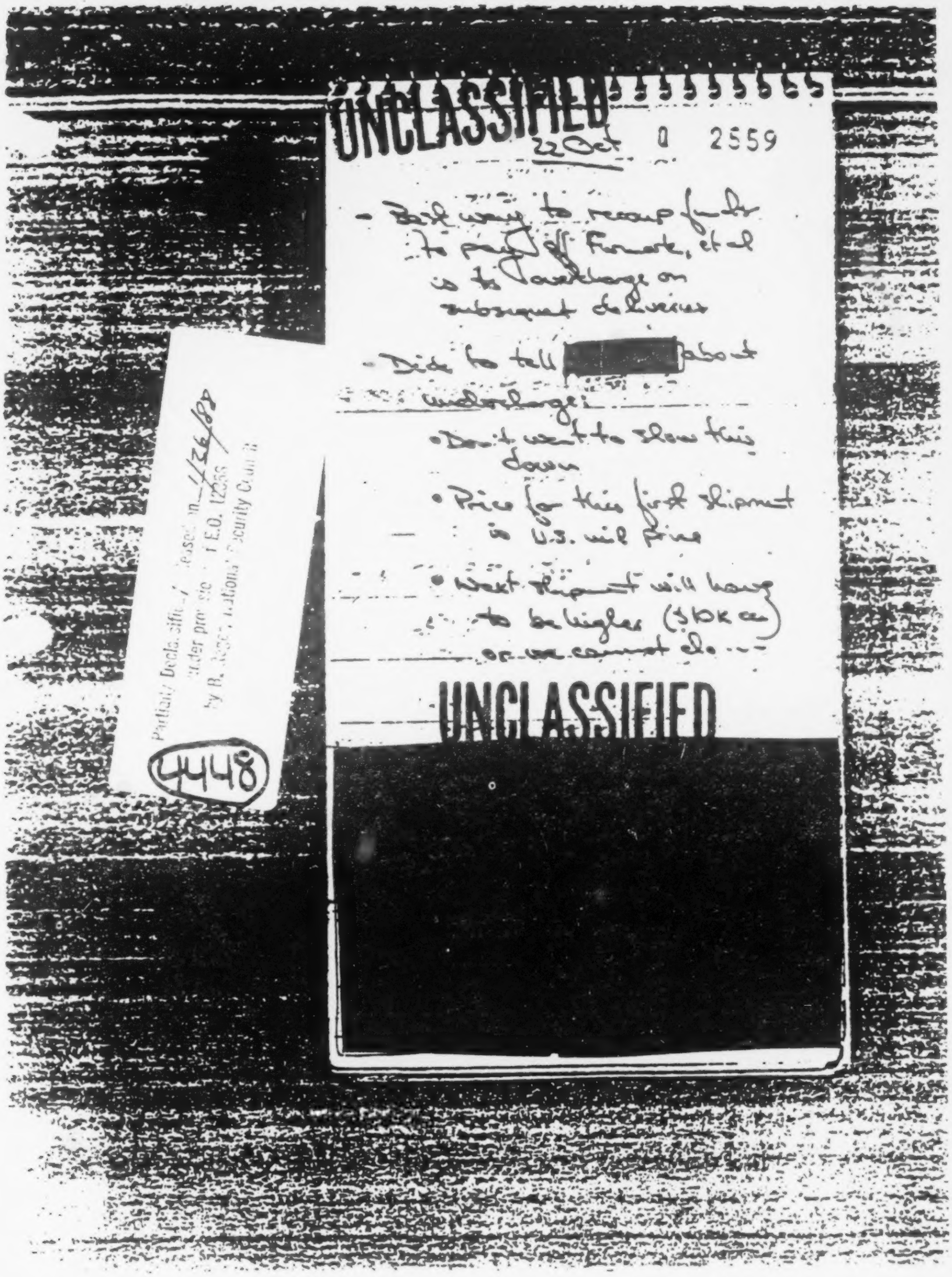

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22 Oct

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- Best way to recoup funds to pay off Fonmark, et al is to overcharge on subsequent deliveries
- Dick to tell [redacted] about overcharge:
    - Don't want to slow this down
    - Price for this first shipment to U.S. will rise
    - Next shipment will have to be higher ($10K ea) or we cannot do ---

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4448

14-231-234

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4 Nov 85

Montazeri

- Play the Montazeri story - to preserve Iranians
- Trying to establish a relationship in a promising cluster.
- change our pace now - slow down to preclude having the Iranians make mistakes.
- Internal dissonence in Tehran - creates likelihood that opposition elements will leak.

[redacted]

☐ Call Albert back w/ TOW missile prices. (Actual)

[redacted]

☐ Nimrodi Cables.

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M-236+237

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Chapter 14
Footnotes 239-240

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C - 256

14-239+240

((TAPE A7))

(BEGINNING OF TAPE CONTAINS UNINTELLIGIBLE EXCHANGES BY U.S AND RANIAN TEAM MEMBERS. THE QUALITY OF THE ENTIRE TAPE IS VERY POOR.)

IM: THERE ARE 26 MURDER CASES

E: 26 PEOPLE HAVE BEEN ON TRIAL ((FEW WORDS MISSED))

IM: OPEN TRIALS ((FEW WORDS MISSED)).

H: IS THIS IN IRAN?

M: [redacted]

[redacted]

M: ((INTERPRETS)) TWO NEW POINTS ((FEW WORDS MISSED)) THEY WERE ACCUSED OF BEING CIA'S AGENTS IN ((FEW WORDS MISSED)).

[redacted]

M: ((INTERPRETS)) HE WAS ELABORATING THAT THERE IS NO ((FEW WORDS MISSED)).

H: WHAT WAS THE RELATIONSHIP BETWEEN THE ((WORD MISSED)) AND THE DAWA TOWARD THE HIZBALLAH?

1: ((INTERPRETS AFTER ASKING [redacted]) HIZBALLAH BASICALLY IS UNDER THE CONTROL OF THE IRANIAN GOVERNMENT. THE IRANIAN GOVERNMENT, ((FEW WORDS MISSED)). NOW THERE IS WITHIN THE HIZBALLAH, THERE IS A FACTION THAT [redacted] THE RADICALS. AND THOSE ARE CONNECTED TO, DEFINITELY, [redacted] AND, IN FACT THEY PUBLISHED A NEWSPAPER, AN [redacted]LE IN A NEWSPAPER THAT, UH, AMERICA AND ((FEW WORDS MISSED)).

[redacted]

1: ((INTERPRETS)) THEY ARE SUSPECTING THAT THE LAST TWO HOSTAGES WERE TAKEN BY THESE RADICALS. THEY CAN NOT CONFIRM IT. THEY ARE IN THE PROCESS OF QUESTIONING A NUMBER OF PEOPLE. ((PORTION MISSED.))

: YOU HAD ASKED EARLIER WHAT IT IS WE REALLY WANT. WHAT WE WANT TO DO IS WE WANT TO GET BACK ON TRACK IN A RELATIONSHIP WITH YOUR GOVERNMENT.

: ((INTERPRETS))

: WE WANT TO HAVE A PROPER RELATIONSHIP, THAT IS, A COOPERATIVE RELATIONSHIP BETWEEN OUR TWO GOVERNMENTS.

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TAPE A3

C 292

(MEETING AT MAINZ, W. GERMANY, 29-30 OCTOBER 1986)

HAKIM: ((INTERPRETS IN PERSIAN)) AND IF THEY ARE NOT SUCCESSFUL, THEY WILL LEAVE THIS CHANNEL; THEY WILL PURSUE ((WORD MISSED)) CHANNEL. IF THEY DON'T GIVE THEM A ((POSITIVE)) REPORT BY SUNDAY, THEY WILL ABANDON THIS ROUTE.

AVE: ((IN PERSIAN)) I'D LIKE TO ADD SOMETHING. SINCE ((FEW WORDS MISSED)) FOR SEVERAL MONTHS, WE KNOW THAT IF WE DO NOT COMPLETE THIS, ALL THE ((FEW WORDS MISSED))

AVE: ((IN ENGLISH)) I TOLD THEM THAT ((FEW WORDS MISSED)) IF WE ARE NOT SUCCESSFUL, AND THIS CHANNEL IS ((FEW WORDS MISSED)), THEN ALL THIS WORK WE'VE DONE . . .

ORTH: AND IT WILL TAKE A YEAR . .

AKIM: ((INTERPRETS IN PERSIAN)) HE WAS EXPLAINING THAT IF WE ARE NOT SUCCESSFUL, NOT ONLY WILL THIS GROUP'S WORK COME TO AN END AND ((FEW WORDS MISSED)), BUT GROUPS IN THE FUTURE WHICH WANT TO MAKE CONTACT WILL USE THIS AS AN EXAMPLE--THAT IRANIANS ?ARE NOT RELIABLE?. THIS WILL BE STUDIED.

[redacted] & HAKIM:

AVE: ((IN PERSIAN--UNINTELLIGIBLE))

ECORD: WHAT NORTH IS GETTING AT IS WE ARE GOING DOWN IN THE STEPS NOW--THE NINE POINTS. WE'RE GOING TO VERY QUICKLY . WE EXPECT THEM TO ?MOVE? VERY QUICKLY SO THAT WE CAN MOVE TO THE NEXT STEP, AND THE NEXT STEP, AND THE NEXT STEP AND THERE WON'T BE ANY OPPOSITION.

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AKIM: ((INTERPRETS))

[redacted]

AKIM: ((INTERPRETS)) IF YOU DON'T HAVE ANY MORE ISSUES ON YOUR SIDE, HE LIKES TO LET ME EXPLAIN WHAT'S HAPPENING IN THEIR SIDE

ORTH: WELL, I DO WANT TO HEAR THAT. LET ME JUST MAKE ONE POINT ABOUT THAT... HE ((HAKIM)) WORKS FOR ME--YOU ((DAVE)) TRANSLATE THIS--HE WORKS FOR ME AS A CONSULTANT. I DON'T KNOW THE FARSI WORD FOR CONSULTANT, BUT AS A PART-TIME CONTRACT EMPLOYEE.

AVE: ((INTERPRETS))

ORTH: HE HAS BEEN THIS FOR FOUR, FIVE YEARS, FOR ME SINCE I HAVE BEEN AT THE WHITE HOUSE--IN THE PRESIDENT'S OFFICE. HE DOES TRANSLATIONS. THE VOA BROADCASTS IN FARSI, WHICH YOU ASKED FOR AND WE GAVE, HE TRANSLATED THOSE FROM MY ENGLISH TO FARSI.

AVE: ((INTERPRETS))

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SECORD: AND IF WE FAIL, WE'RE GOING TO SHOOT HIM, BECAUSE SOMEBODY HAS TO GO. LIKE IN IRAN, SOMEBODY HAS TO BE SHOT.

HAKIM: ((INTERPRETS))

C 293

NORTH: I DON'T BELIEVE IT THAT ((WORD MISSED)) SAID THAT.

CAVE: ((IN PERSIAN)) MR. NORTH AND I ARE LUCKY. THEY WON'T SHOOT US, WE'LL JUST GO TO JAIL.

CAVE: ((INTERPRETS IN ENGLISH))

NORTH: FIRED.

SECORD: THE PRESIDENT MAY SHOOT NORTH.

HAKIM: OK, HE WANTS TO EXPLAIN HIS CASE.

[redacted]

HAKIM: ((INTERPRETS)) I HAVE ADDRESSED THIS ISSUE EARLIER ?THAT? HE'S BRINGING UP. HE WANTS TO CLARIFY HIS POSITION THAT PEOPLE BACK HOME BELIEVE THAT A LOT OF TIMES HE TALKS ABOUT THINGS WHICH HE SHOULD NOT TALK ABOUT. THEREFORE, IT IS VERY IMPORTANT THAT WHATEVER HE TELLS US SHOULD NOT GET INTO THE OFFICIAL CHANNELS AND GET BACK TO ?THEM? BECAUSE THAT WOULD MAKE LIFE MISERABLE FOR HIM AND DIFFICULT FOR HIM. HE HAS NO FINANCIAL INTEREST ((FEW WORDS MISSED)) ONE OBJECTIVE IS TO MAKE SURE THAT THIS THING IS GOING TO ((FEW WORDS MISSED)). HE HAS FULL TRUST IN THIS GROUP ESPECIALLY IN GENERAL SECORD. HE HAS BEEN VERY TRUTHFUL WITH HIM, VERY HELPFUL, AND HE WANTS TO SEE THAT SOMETHING GOOD IS GOING TO COME OUT OF THIS. THEREFORE, PLEASE, WHATEVER HE DISCUSSES SHOULD NOT LEAVE THIS ROOM SO HE WILL FEEL COMFORTABLE TO BE ABLE TO GET BACK TO US ((TRAILS OFF)). I DISCUSSED THAT EARLIER THIS WEEK ((FEW WORDS MISSED)).

[redacted]

HAKIM: ((INTERPRETS)) HE SAYS YOU HAVE TO UNDERSTAND THAT IRAN JUST FINISHED ((FEW WORDS MISSED)) AND SETTING IMAM KHOMEINI ASIDE, THE COUNTRY IS MANAGED BY SHAREHOLDING ((WORD MISSED)) AND ONCE YOU PUT KHOMEINI ASIDE, THERE ARE A NUMBER OF PEOPLE INVOLVED.

[redacted] AND HAKIM:

HAKIM: ((INTERPRETS)) THERE ARE THREE BASIC GROUPS OF THIS SHAREHOLDING COMPANY. THEY ARE MINOR SHAREHOLDERS. ONE IS THE RADICALS, AND THEY ARE ((WORD MISSED)) RADICAL AND ((WORD MISSED)) RADICAL WITHIN THE SAME ... THEN THE THIRD GROUP IS THE RIGHT-WING AND THEN THERE'S TWO ((FEW WORDS MISSED)) WHO IS HEADED BY HASHEMI-RAFSANJANI, AND NOT ONLY DO THEY FOLLOW THEIR OWN LINE, BUT THEY ARE ALSO THE CONNECTION IN BETWEEN THE FIRST AND THE THIRD GROUP.

[redacted]

((SECORD MAKES A PHONE CALL, BLOCKING OUT MOST OF SEVERAL MINUTES OF DISCUSSION BETWEEN THE U.S. AND IRANIAN TEAMS))

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HAKIM: ((INTERPRETS)) HE WANTS YOU TO UNDERSTAND THAT THE PRINCIPLE ... THESE THREE GROUPS HAVE THE SAME OBJECTIVE AND THEY ALL AGREE IN THE SAME WAY; WHEN IT COMES TO ACTUAL EXECUTION, THEY HAVE DIFFERENT APPROACHES. AND THEY ARE NOT PURELY POLITICAL ((FEW WORDS MISSED)) RELIGIOUS ((FEW WORDS MISSED)).

[redacted]

C 294

HAKIM: ((INTERPRETS)) AS YOU PROBABLY KNOW, IMAM KHOMEINI HAS ISSUED DECREES ((FEW WORDS MISSED)).

[redacted]

HAKIM: ((INTERPRETS)) IN PUBLIC OPINION HE ((RAFSANJANI)) IS CONSIDERED THE SECOND MAN, SECOND IN COMMAND, BASICALLY BECAUSE OF THESE ((WORD MISSED)).

[redacted]

HAKIM: ((INTERPRETS)) WHEN [redacted] RAISED THE ISSUE OF ESTABLISHING RELATIONS WITH THE U.S. HE WAS IN FAVOR OF IT, BUT FOR HIS OWN POLITICS HE DECIDED TO GET ALL THE GROUPS INVOLVED AND GIVE THEM A ROLE TO PLAY.

NORTH: WAIT A MINUTE, WHO'S 'HE?'

HAKIM: RAFSANJANI.

[redacted]

HAKIM: ((INTERPRETS)) HE WANTS YOU TO KNOW WHO [redacted] IS [redacted] WORKS FOR [redacted] [redacted] BELONGS TO THE RADICAL GROUP, THE RADICAL GROUP THAT THEY WERE THE UNIVERSITY STUDENTS WHO TOOK THE HOSTAGES IN IRAN. THAT'S THAT GROUP.

[redacted] AND HAKIM:

AKIM: ((INTERPRETS)) WHEN [redacted] CONTACTED [redacted] IN THIS APPROACH TO ESTABLISH A RELATIONSHIP WITH THE U.S., HE, [redacted] ASKED FOR REPRESENTATIVES OF THE THREE GROUPS TO BE PRESENT AND PARTICIPATE IN THIS ACTION, AND ((TWO WORDS MISSED)) SUPPORT. IN OTHER WORDS THIS IDEA OF HAVING ALL GROUPS PARTICIPATE IN THIS IS NOT NEW, IT DATED BACK A LONG TIME AGO, AND STILL HE'S GOING TO EXPLAIN MORE AND STILL STICKING TO IT.

[redacted]

HAKIM: ((INTERPRETS)) THIS ISSUE AS YOU CAN VERY WELL UNDERSTAND IS VERY SENSITIVE. [redacted]

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[redacted]

HAKIM: ((INTERPRETS)) THIS APPROACH OF [redacted] WAS A DOUBLE-EDGED SWORD--AND POSITIVE AND NEGATIVE POINTS ... THE POSITIVE POINT BEING THAT IF IT WOULD BE A FAILURE AND ALL PARTIES ARE INVOLVED SO THERE WOULD NOT BE AN INTERNAL WAR; AND THE NEGATIVE PART IS THAT BECAUSE DIFFERENT VIEWS AND OPINIONS ARE UNDER THE SAME ROOF.

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IT'S VERY DIFFICULT TO MANAGE.

: SOUNDS LIKE HOME.

: ((INTERPRETS IN PERSIAN. LAUGHTER.))

: THE DIFFERENCE IS, IF THIS ONE FAILS, ONLY I GET FIRED. ((LAUGHS))

: ((INTERPRETS IN PERSIAN))

[redacted]

I: ((INTERPRETS)) HE DOESN'T WANT TO GET INTO DISCUSSING THIS, BUT ALL THESE EFFORTS LED TO THE VISIT OF MCFARLANE, WHICH WAS CONSIDERED A TOTAL FAILURE, AND THE REASON FOR THAT--YOU CAN ANALYZE IT YOURSELF--((FEW WORDS MISSED)) YOU CAN CONSIDER ((FEW WORDS MISSED)) AND THEIR ANALYSIS SHOWS OPPOSITION IN THE U.S.--ALL THESE ISSUES CAUSED ?IT TO FAIL?.

[redacted] & HAKIM:

M: ((INTERPRETS)) [redacted] HAD TOLD HIM THAT THE ISRAELIS ARE PARTICIPATING AND HE SAID THAT HE DIDN'T KNOW FROM THE BEGINNING AND JUST FOUND OUT, AND THAT CREATED A LOT OF . . .

[redacted]

M: ((INTERPRETS)) A COMBINATION OF MANY THINGS THAT CAUSED THAT ((FEW WORDS MISSED)). I ASKED HIM HOW DID YOU KNOW ABOUT THE ISRAELIS? [redacted] BROUGHT IT . . .

RD: BUT [redacted] ONLY RECENTLY BROUGHT IT

M: ((INTERPRETS FOR [redacted]))

[redacted]

M: ((INTERPRETS)) AFTER THE CAT WAS OUT OF THE BAG, I JUST FOUND THAT HE WAS ?TRYING TO? ((FEW WORDS MISSED)) I JUST FOUND OUT IF ((FEW WORDS MISSED)).

[redacted]

M: ((INTERPRETS)) [redacted] IS PORTRAYING THAT GHORBANIFAR HAS A HELL OF A LOT OF INFLUENCE WITH US ((THE AMERICANS)), STILL, AND STILL [redacted] IS PUSHING FOR GHORBANIFAR, SAYING THAT WE SHOULD KEEP GHORBANIFAR IN THIS BECAUSE HE IS A SECURITY VALVE FOR US. IF SOMETHING SHOULD GO WRONG WITH THIS CHANNEL, WE CAN ALWAYS TURN GHORBANIFAR ON AND HE CAN FIX THINGS.

[redacted]

IM: ((INTERPRETS)) HE SAYS SINCERELY [redacted] BELIEVES--IT'S HIS HONEST OPINION, IT'S NOT A BIASED OPINION--THAT GHORBANIFAR CAN DO, UNOFFICIALLY, THINGS THAT HE CANNOT DO OFFICIALLY.

((HAKIM SAYS THAT ONE OF THE IRANIANS IS COLD. DOOR IS SHUT, WINDOW CLOSED.))

[redacted]

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HAKIM: ((INTERPRETS)) HE HAS TOLD [redacted] THAT 'YOU ARE WRONG.' AND HE GOES AND SEES THE AMERICANS. HE GOES WITH YOUR NAME AND AT YOUR STRENGTH—HE HIMSELF HAS NO STRENGTH WITH AMERICANS--((FEW WORDS MISSED)) BUT GHORBANIFAR HAS A LOT OF INFLUENCE WITH AMERICANS.

NORTH: HE HAS NO INFLUENCE WITH AMERICANS. I MEAN WE'RE THE AMERICANS TO BE TALKED TO.

HAKIM: ((INTERPRETS))

C 296

[redacted]

HAKIM: ((INTERPRETS)) HE IS USING GHORBANIFAR AS THE ?QUALITY? PERSON. ((FEW WORDS MISSED)) THE FACT THAT GHORBANIFAR WAS THE ONE WHO PLANNED [redacted]

SECORD: ((TO NORTH)) [redacted]

NORTH: HMM.

HAKIM: ((CONTINUES INTERPRETING)) AND HE ALSO PROMISED THE IRANIANS THAT HE WOULD CAUSE [redacted] NOT TO MAKE ONE MOVE, AND INDEED THEY DID NOT MAKE ONE MOVE

[redacted] & HAKIM:

HAKIM: ((INTERPRETS)) [redacted] SHOWS THIS AS A POINT OF STRENGTH OF GHORBANIFAR IN THE WESTERN WORLD. HE PLANNED [redacted] HE KEPT [redacted] OUT, AND THEY WERE THERE ((FEW WORDS MISSED)).

[redacted]

HAKIM: ((INTERPRETS)) HE SAYS THAT HE WAS SO CONVINCING THAT HE STARTED TO BELIEVE HIM, THAT HE REALLY IS SUCH A POWERFUL MAN.

NORTH: I REGARD HIS POWER TO BE PURELY NEGATIVE.

HAKIM: ((INTERPRETS))

NORTH: IN THIS PARTICULAR RELATIONSHIP BETWEEN THE U.S. AND IRAN, HE CAN DO NOTHING TO HELP IT ALONG.

HAKIM: (INTERPRETS))

NORTH: BUT HE HAS THE POWER TO DO MUCH DAMAGE TO IT BECAUSE OF HIS KNOWLEDGE.

HAKIM: ((INTERPRETS))

NORTH: WE HAVE ALREADY SEEN EVIDENCE OF THAT, AND THAT HE BELIEVES--GHORBANIFAR BELIEVES HE HAS NOT BEEN PAID THE FULL AMOUNT BY IRAN AND HE IS THREATENING TO MAKE PUBLIC THE EARLIER TRANSACTIONS ...

HAKIM: ((INTERPRETS))

((PORTION OF CONVERSATION UNINTELLIGIBLE.))

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HAKIM: ((INTERPRETS)) I HAVE NOT FORGOTTEN THE STATEMENT YOU MADE. BUT THIS IS VERY IMPORTANT. MR. HASHEMI-RAFSANJANI HAS PROPOSED AND THEY BELIEVE THIS IS A GOOD THING TOO AND THAT THE ((PORTION UNINTELLIGIBLE)) A COUPLE OF MONTHS AND SEE WHAT HAPPENS. THE REASON THEY HAVE NOT DONE THIS THING IS BASED ON WHAT HE TOLD ME THAT HE HAS DONE--((FEW WORDS MISSED))DOCUMENTED ((FEW WORDS MISSED)) UNIVERISITY PROFESSOR AND SO FORTH. THAT WE ARE CONCERNED ABOUT THIS. HE SAYS THEY ARE OF THE OPINION, WHETHER THEY ((ONE WORD MISSED)) OR NOT. HE IS GOING TO DO IT ANYWAY.

?CAVE? IF THEY COULD BRING HIM ?AFTER? A COUPLE OF MONTHS, IT WOULD BE GOOD.

NORTH: HE HAS ALREADY GIVEN THE INFORMATION TO ANOTHER MAN IN THE U.S. IF GHORBA DISAPPEARS....

HAKIM: HE'S NOT TALKING ABOUT DISAPPEARING. HE'S GOING TO BE WORKING. HE'S GOING TO BE KEPT THERE AND THEN HE'S GOING TO BE WORKING AND ((ONE WORD MISSED.)) HE'S GOING TO BE CALLING, TALKING, DOING THE WHOLE THING.

NORTH: THAT'S FINE. AND IF GHORBA..

HAKIM: THEY'RE NOT TALKING ABOUT..

NORTH: ...INJURING HIM.

HAKIM: YEAH.

NORTH: WHAT I AM TALKING ABOUT IS THE PERCEPTION, RIGHT OR WRONG, THAT GHORBA OWES SEVERAL OTHER PEOPLE MILLIONS OF DOLLARS. THAT'S WHY THEY'RE GOING TO TALK. IF GHORBA IS SEEN BY THEM TO HAVE DISAPPEARED, WE'RE LIABLE TO HAVE AN EVEN BIGGER PROBLEM.

SECORD: WHY DON'T THEY PAY THEIR BILL?

HAKIM: DO YOU WANT ME TO ASK HIM, OR DO YOU WANT ME TO TELL YOU. I KNOW.

SECORD: CAN WE ASK HIM WHY THEY DON'T PAY THE BILL?

HAKIM: YES. I THINK SO. LET ME TELL HIM WHAT HE SAID AND THEN.. ((FEW WORDS MISSED.)) CORRECT. ((FEW WORDS)) OWE HIM 10 MILLION DOLLARS. BUT IT IS NOT...

NORTH: ((LAUGHS)) GHORBA'S GOT MORE CREDIBILITY THAN HE EVER DESERVED.

?SECORD? NO, HE SAYS 15.

HAKIM: NO. IT'S 10. THEN HE HAS TO DELIVER FREE THE 1000 FREE TOWS. IT'S NOT ALL THAT.....

?SECORD? ?LET'S SAY? HE LIED.

HAKIM: GENTLEMEN, LET ME TRANSLATE. ((GOES INTO PERSIAN))

?SECORD? WHAT THE HELL DOES HE SAY?

HAKIM: HE IS SAYING THAT [redacted] HAS GOT THE MONEY...

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HAKIM: ((INTERPRETS)) [redacted] AFTER HE LEARNED WHAT THE REAL PRICE IS, HE KEPT THE MONEY. HE SAID BECAUSE ((FEW WORDS MISSED))

[redacted]

HAKIM: ..THE HAWK SPARE PARTS, WHICH THEY HAD CHARGED THEM 8 MILLION DOLLARS FOR THE 2.7 ((MILLION)). THEY CHARGED THE IRANIANS EIGHT.

SECORD: NO, NO, NO, NO, NO. THIS IS THE SECOND EXAMPLE.

CAVE: THE SECOND. IT IS NOT THE FIRST SHIPMENT. HE HAD TOLD THEM IT WAS 8 MILLION. THEN WHEN WE GOT THE BILL.. WHEN WE GAVE THEM THE BILL FOR WHAT IT WAS...((FEW WORDS)) 2.7. GHORBANIFAR HAD ALREADY TOLD THEM IT WOULD COST THEM 8 MILLION.

SECORD: SO, HE'S A BUSINESSMAN.

HAKIM: ((INTERPRETS IN PERSIAN FOR [redacted] THEN SAYS)) I HAVE TOLD HIM THAT OUR OPINION IS, AND WE HAVE DISCUSSED IT IN THE PAST, THAT HE SHOULD BE PAID.....

SECORD: HE SHOULD BE PAID AT LEAST SOMETHING RIGHT AWAY...

CAVE: TO KEEP HIM QUIET.

NORTH: WELL, QUITE FRANKLY, I DON'T GIVE A SHIT IF HE GETS PAID. WHAT I'M MORE INTERESTED IN IS THAT THE PEOPLE TO WHOM HE OWES MONEY GET PAID.

SECORD: DO WE KNOW HOW MUCH THAT IS?

NORTH: WELL, I THINK WE DO KNOW.

SECORD: HOW MUCH IS THAT?

CAVE: IT'S ABOUT...WELL, WE DON'T KNOW WHAT HE OWES. BUT FOR THE LAST DEAL... FOR THE SHIPMENT OF THE ORIGINAL PARTS, HE OWES THEM 10 MILLION.

HAKIM: THAT'S ALL THEY ((THE IRANIANS)) OWE HIM. THAT'S ALL THE MONEY THEY OWE GHORBANIFAR. TEN MILLION. I HAVE HEARD THIS...

NORTH: SEE, THAT WOULD MAKE SENSE. BECAUSE GHORBANIFAR WENT OUT AND BORROWED 15 MILLION DOLLARS. HE PAID OFF THE ONE GUY--A EUROPEAN-- AND HE STILL OWES THE CANADIANS TEN. AND THAT WOULD MAKE SENSE.

HAKIM: ((INTERPRETS))

SECORD: ARE YOU SAYING THEY SHOULD PAY US AND WE PAY THE BANK?

NORTH: I DON'T WANT TO GET IN THE MIDDLE OF THIS ((FEW WORDS)) THEY DIRECTLY GET TOLD? ROY TO SHOW UP SOMEWHERE, AND GET US THE HELL OUT OF IT.

((END OF TAPE A3))

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((TAPE A4))

[redacted]

HAKIM: ((INTERPRETS)) UNTIL A FEW DAYS AGO, BASED ON PREVIOUS ARRANGEMENTS, [redacted] HAD PROMISED THEM THAT HE WOULD APPROACH THIS IN A VERY PROPER WAY AND HANDLE IT VERY CORRECTLY. AND THEY HAD DECIDED TO KEEP THIS AWAY, SECRET FROM MOST OF THE PEOPLE, AND HE PERSONALLY COORDINATED WITH A NUMBER OF THE PEOPLE, BUT HE DOESN'T BELIEVE IT'S THE RIGHT TIME FOR HIM TO RELEASE THEIR NAMES. AND BROUGHT IT TO THE POINT THAT ((FEW WORDS MISSED)) AND ONLY TWO DAYS AGO THAT [redacted] SAID THAT WE THINK IRAN HAS REACHED THE STAGE THAT WE SHOULD ?RETURN? TO OTHER PEOPLE AS WELL.

[redacted]

HAKIM: ((INTERPRETS)) IT GOT TO THE POINT THAT IT WAS DIFFICULT TO KEEP IT SECRET BECAUSE, FOR INSTANCE, [redacted]--COULD HAVE FOUND OUT ABOUT THEIR TRYING TO GET 10 MILLION DOLLARS OUT ((FEW WORDS MISSED)). THEY HAVE GOTTEN 8 MILLION OUT SO FAR. 4 AND 7 ((FEW WORDS MISSED)). THEY COULD NOT HAVE KEPT THAT A SECRET, SO THEY DECIDED TO BRING EVERYBODY ELSE IN.

[redacted]

HAKIM: ((INTERPRETS)) HIS NAME-[redacted]-IS GOING TO BE GIVEN TO THE DIFFERENT GROUPS. THEY HAVE GIVEN [redacted] TO THE DIFFERENT GROUPS THAT HE HAS ((FEW WORDS)) AND THE REASON IS TO ENABLE HIM TO GO FROM ONE GROUP TO THE OTHER AND BE INVOLVED IN THE KIND OF WORK THAT HE CAN DO. NOW, WITH WHAT HAS HAPPENED, WITH THE TOWS COMING OUT, THEY ARE GOING TO PRICE IT, BY THE WAY, AT 8 THOUSAND EACH.

NORTH: WAIT A MINUTE. I'M CONFUSED. WITH THE TOWS COMING WHERE?

HAKIM: IRAN, WHICH ARE THERE NOW.

NORTH: THIS ONE...

HAKIM: YEAH. THE MILITARY INTELLIGENCE THAT THEY GOT, AND THAT IN ITSELF IS A REVOLUTIONARY ACTION AND EVERYBODY'S GOING TO GO CRAZY AND BERSERK OVER THIS, BECAUSE IT IS SUCH AN IMPORTANT EVENT IN THIS TYPE OF PICTURE.

SECORD: BUT WHAT'S THE POINT?

HAKIM: I STOPPED, YOU KNOW, I'M TRYING TO TRANSLATE.

[redacted]

HAKIM: ((INTERPRETS)). HE IS EXPLAINING WHY THE ARRIVAL OF THE TOWS--AND THE MILITARY INFORMATION IS COMPLETELY BACKED UP--FIRST: ONE: [redacted] AND HIS GROUP-[redacted]--ARE GOING TO BE TOTALLY ELIMINATED.

[redacted]

HAKIM: ((INTERPRETS)). TWO: THIS WILL ESTABLISH THE CREDIBILITY OF THIS CHANNEL AS THE ONLY CHANNEL, AS THEY HAVE BEEN CLAIMING, WHO SHOULD BE CONTACTED.

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HAKIM: ((INTERPRETS)) HE'S GIVING AN EXAMPLE. HE RAISED THE ISSUE OF THE MILITARY INTELLIGENCE, AND THE PEOPLE DID NOT BELIEVE IT, AND HE CONFIRMED THAT, YES INDEED, ?THEY? BROUGHT IT, AND THEY CANNOT PUT IN WRITING THAT IT'S IMPORTANT TO ((WORD MISSING)) THIS THING OUT, AND ALL THESE ISSUES STARTED THEM TO THINK THAT IT IS ((FEW WORDS)) GROUP.

[redacted]:

AKIM: ((INTERPRETS)): HE'S COMING BACK TO THE DISCUSSION THAT THEY STARTED TO DISCUSS AT THE BEGINNING. HE CAN TAKE BACK THE REAL MOTIVATION BEHIND OUR APPROACHING THEM AND REMOVE THE DOUBTS AND DIFFERENT THOUGHTS YOU PEOPLE HAVE, THINGS THAT ((FEW WORDS MISSING)) QUICKLY. THAT IS, HE COULD GO AND SAY THAT, REALLY, THE MAIN THING THAT WE ARE AFTER IS THE ISSUE OF THE HOSTAGES. TO... THEY'LL GET THINGS GOING. AT THIS MINUTE, THEY ARE CONFUSED. THEY DON'T KNOW WHAT WE WANT, AND THEY BELIEVE THAT THERE ARE FOUR OR FIVE OTHER CHANNELS, AND THIS IS ONE OF THEM, AND THERE IS A SCHEME, BUT THEY ARE NOT QUITE SURE WHAT IS HAPPENING.

[redacted]

AKIM: ((INTERPRETS)): HE'S GOING BACK TO THE MAIN DISCUSSION. THE HIGHLY RADICAL IS MONTAZERI...HIS GROUP. IN REFERENCE TO HIS...

[redacted]

AKIM: ((INTERPRETS)): WHAT [redacted] IS DOING HERE... I THINK I'M BEGINNING TO UNDERSTAND WHAT HE'S DOING. HE'S TRYING TO EXPLAIN WHAT HAS HAPPENED SINCE HE LEFT US. THERE ARE MANY DIFFERENT PEOPLE, THEY ARE DOING MANY DIFFERENT THINGS, AND HE'S COME DOWN... HE'S COMING TO THE HEART OF IT NOW... HE WAS CONCERNED THAT THE HIGHLY RADICAL PEOPLE, I.E., MONTAZERI'S GROUP, ((INCIDENTAL DISCUSSION)) HE HAD THE FEAR (THAT) BEFORE THEY GET TO SOME PLACE SOLID, AND IF THE RADICALS, MONTAZERI'S GROUP, WOULD FIND OUT, HE COULD NOT PREDICT WHAT WOULD HAPPEN THEN. ((THE PERSIANS APPARENTLY LEAVE THE ROOM AT THIS TIME))

ORTH: BUT JUST A LITTLE WHILE AGO HE SAID THAT [redacted] BROUGHT EVERYBODY IN. ((SIGH)) THAT'S QUITE A PLAN! WAY BACK WHEN [redacted] WAS HERE...

AKIM. YES, BUT THEY, THEY BROUGHT HIM IN. THEY TOLD HIM JUST WHAT THEY'RE DOING, BUT THEY NEVER TOLD HIM HOW THEY'RE DOING IT. THAT WAS A POLITICAL MOVE.

ORTH: O.K., BUT I DON'T UNDERSTAND....

AKIM: ((INTERRUPTS)). CAN WE AT ONE POINT TAKE A LITTLE TIME AND GET INTO......

((TIME OUT FOR CHATTER ABOUT ROOMS, MAKING A PHONE CALL, ETC.))

AKIM: I DETECT THAT HE IS...HE'S TRYING...HE'S PUSHING FOR [redacted]. ?THE ONLY THING?, IT'S UNJUSTIFIED. NOW THAT HE'S SEEN SUCCESS, HE'S TRYING TO....((DOESN'T FINISH))

((TIME OUT FOR ANOTHER PHONE CALL.))

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((CHATTER ABOUT HOTEL ROOMS, PER DIEM, ETC. PERSIANS BACK IN ROOM NOW. EATING MEAL, SENDING MESSAGES. NORTH EXPLAINS SECURE C DEVICE TO THE PERSIANS AND PROMISES TO PROVIDE THEM WITH EVEN BETTER EQUIPMENT AFTER HE PROVES TO HIS BOSS THAT THE CH WORKS.))

((END TAPE A4))

((BEGINNING OF TAPE A5))

NORTH: O.K., YOU WERE TALKING ABOUT....

HAKIM: MR. MONTAZERI.

[redacted]

HAKIM: ((INTERPRETS)): HE'S TRYING TO GIVE YOU VERY IMPORTANT INFORMATION AS TO HOW THEY CAME TO LEARN THAT MONTAZERI KNEW WHY THEY WERE TRYING TO KEEP HIM OUT. HE KNEW THAT. AND HE ALSO IN THIS EXPLANATION IS GOING TO TELL YOU ABOUT THE REST OF ((FEW WORDS)). AFTER IT BECAME KNOWN IN [redacted] ABOUT THE EXPLOSIVES, THEY STARTED TO INVESTIGATE TO SEE HOW AND WHO DID IT.

[redacted]

HAKIM: ((INTERPRETS)): THEIR INVESTIGATION SHOWED THAT [redacted] WAS BEHIND THIS, AND HE BELONGED TO THE... THE LIBERATION GROUP.

SECORD: THE TERRORIST GROUP.

HAKIM: RIGHT. THAT'S WHAT THEY ARE, BUT HE-- [redacted] --WAS IN THE REVOLUTIONARY GUARD. [redacted] I'M TRYING TO UNDERSTAND WHAT THAT IS.

SECORD: HE WAS IN ...

DAVE: HE WAS [redacted]

SECORD: BUT HE'S NO LONGER [redacted]

HAKIM: HE WAS NO LONGER...

DAVE: ((IN PERSIAN)) WHAT IS [redacted] JOB NOW?

[redacted]

DAVE: ((INTERPRETS)) HE WAS THE... BUT BECAUSE OF THE WAY HE WAS RUNNING THESE THINGS, TWO YEARS AGO THEY DISMISSED HIM.

[redacted]

DAVE: ((INTERPRETS)) BUT HE STILL REMAINS, YOU KNOW, UNOFFICIALLY, AS FAR AS MONTAZERI IS CONCERNED. [redacted]

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HAKIM: ((INTERPRETS)) THEY HAD LEARNED ABOUT THIS THING AND THEY ARRESTED [redacted] BUT WHILE DOING THAT, THEY MADE A MISTAKE AND ALSO

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ARRESTED [redacted] WHOM THEY RELEASED.

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ORTH: WHY WAS HE ARRESTED?

AKIM: ((INTERPRETS))

[redacted]

AKIM: ((INTERPRETS)) WHEN THEY WENT TO [redacted] HOME TO ARREST HIM, [redacted] WAS ALSO THERE AND THEY ARRESTED HIM AS WELL. [redacted] IS ABOUT HIS AGE AND LOOKS VERY MUCH LIKE HIM. [redacted]

ECORD: SO IT WAS A MISTAKE.

AKIM: YEAH, IT WAS A MISTAKE. THEY RELEASED HIM.

[redacted]

AKIM: ((INTERPRETS)) IMAM KHOMEINI WAS ALWAYS CONCERNED ABOUT [redacted] GETTING INVOLVED IN THE FOREIGN ACTIVITIES, BUT THEY COULD NOT PROVE IT UNTIL THIS CAME ABOUT.

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[redacted]

AKIM: ((INTERPRETS)) WITHOUT COORDINATING THE INFORMATION WITH THE MINISTRY OF FOREIGN AFFAIRS. [redacted]

[redacted]

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HAKIM: ((INTERPRETS)) IMMEDIATELY AN ORDER WAS ISSUED BY KHOMEINI, ALTHOUGH THIS GUY WAS BEING PROTECTED BY MONTAZERI, TO ARREST HIM.

[redacted]

HAKIM: ((INTERPRETS)) HERE HE WANTS ME TO MENTION ((FEW WORDS MISSED)) ((HAKIM LAUGHS AND SAYS, 'YOU'RE GOING TO LOVE THIS.')) HE SAYS THAT'S TRUE THAT HE IS ARRESTED, BUT THIS IS AS A CONSEQUENCE, A RESULT, OF YOUR DISCUSSIONS WITH MR. MCFARLANE THAT YOU HAVE AGREED TO ARREST HIM.

SECORD: I DON'T UNDERSTAND THAT.

HAKIM: HE'S IMPLYING WHEN MONTAZERI WAS INFORMED THAT [redacted] WAS ARRESTED AND THEY EXPLAINED TO HIM WHY HE WAS ARRESTED, HE SAID, 'YES, I KNOW YOU ARRESTED HIM, BUT THE REASON THAT YOU'VE ARRESTED HIM WAS THE RESULT OF YOUR MEETING WITH MR. MCFARLANE. THAT'S WHY HE ....'

NORTH: HE BELIEVES THAT? MONTAZERI BELIEVES THAT?

HAKIM: THIS IS WHAT HE SAYS. LET'S GET TO THE BOTTOM OF IT.

[redacted]

HAKIM: ((INTERPRETS)) HE ((MONTAZERI)) SAYS, 'YOU WOULD HAVE AGREED WITH THE AMERICANS TO PUT THE RADICAL PEOPLE IN THEIR PLACE, AND THAT'S AS A RESULT OF THAT AGREEMENT.'

SECORD: WHO IS 'YOU,' RAFSANJANI? WHO WAS HE TALKING TO?

[redacted]

HAKIM: ((INTERPRETS)) HE PUT THAT IN A LETTER TO IMAM KHOMEINI. ((AND MONTAZERI SAID)) 'I MUST UNDERSTAND WHO GAVE THE PERMISSION TO HAVE THE MEETING WITH MR. MCFARLANE.' AND THIS THING WAS STAGED IN SUCH A WAY THAT THE POINT OF THE GUN WAS STUCK AT [redacted] ((FEW WORDS MISSED)). AND THE REASON THE GUN WAS POINTED AT HIM WAS BECAUSE [redacted] WAS KNOWN TO BE THE VERY STRONG ENEMY OF [redacted] ((CONTINUES QUOTING MONTAZERI'S LETTER)). AND I MUST INFORM YOU THAT YOU HAD THIS MEETING WITH MR. MCFARLANE WITHOUT THE PERMISSION OF THE PEOPLE, AND GOD KNOWS WHAT OTHER THINGS YOU GUYS HAVE AGREED ON. ((LAUGHTER FROM AMERICANS.))

SECORD: WAIT A MINUTE, HE'S TELLING KHOMEINI, 'WHERE DID YOU GET THE AUTHORITY?'

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HAKIM: NO. HE'S SAYING THAT [redacted] HE POINTED THE GUN AT [redacted] HE SAYS ...

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HE DOESN'T KNOW HOW [redacted]... BUT LET ME EXPLAIN SOMETHING: WHEN YOU ((FEW WORDS MISSED)) YOU DO NOT NECESSARILY ((FEW WORDS MISSED)) THE IRANIAN WAY, SPECIFICALLY. YOU IMPLY, AND YOU ADDRESS ONE CERTAIN PERSON AND YOU, YOU KNOW, IT'S AN IMAGINARY......

ECORD: HE (MONTAZARI) IS SAYING, 'I DON'T UNDERSTAND HOW [redacted] GETS SUCH AUTHORITY.

AKIM: RIGHT.

((SEVERAL EXCHANGES INAUDIBLE.))

ORTH: HOW LONG AGO WAS THIS LETTER WRITTEN?

AKIM: ((AFTER CONFERRING WITH [redacted])) [redacted]

[redacted]

AKIM: ((INTERPRETING)): IMMEDIATELY THIS ISSUE WAS DISCUSSED IN PARLIAMENT, IN THE UNIVERSITIES, AND IN THE MEETINGS OF THE SCHOLARS.

[redacted]

AKIM: ((INTERPRETING)): SOME PEOPLE ((FEW WORDS MISSED)) [redacted]S REAL NAME IS [redacted] AND AT ONE OF THESE MEETINGS--THE SCHOLARS MEETINGS--THIS FELLOW ((NAME MISSED)) ASKED HIM, 'HEY, [redacted] WHAT REALLY HAPPENED WITH MR. MCFARLANE ((FEW WORDS MISSED)) SECRET PLANE.

ORTH: HOW DID THEY KNOW THAT?

AKIM: ((AFTER CONFERRING WITH [redacted])) MR. MONTAZARI SAID THAT HE HAD A SPY IN THAT MEETING.

ORTH: WHO? ((LAUGHTER)) HE TELLS A GOOD STORY.

AKIM: [redacted] SAYS IF YOU WANT TO HEAR THE REST OF THE STORY, YOU'LL HAVE TO GIVE HIM 250 MORE TOWS. ((MORE LAUGHTER))

ORTH: QUITE A STORY TELLER. WHERE'S THE PHONE? ((LAUGHTER))

ECORD: TELL HIM I HAVE THE POLICE RIGHT OUTSIDE.

[redacted]

AKIM ((INTERPRETING)): SIX NIGHTS AGO, KHOMEINI CALLED HIM INTO TO TEHRAN FROM QOM. ((FEW WORDS)) MONTAZERI.

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[redacted]

AKIM: ((INTERPRETING)): WHEN HE WAS CALLED TO THIS MEETING WITH KHOMEINI, THEY DISCUSSED VARIOUS ISSUES, [redacted] WAS ALSO PRESENT, AND THEY TALKED ABOUT [redacted] AND HIS PARTICIPATION IN FOREIGN ACTIVITIES WITHOUT AUTHORIZATION ((WORD MISSED)) AND ALL THAT. AND THEY GOT TO DISCUSS THE ISSUE OF THE AMERICAN, AND [redacted] BRIEFED MONTAZERI ABOUT WHAT WAS HAPPENING AND HE SAID, 'OH, MR. GHORBANIFAR IS A ((FEW WORDS MISSED)) OLD PERSONAL FRIEND.

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RTH: HE TOLD ME ALL THESE THINGS. GHORBA TELLS EVERYBODY; HE TELLS BANKERS.

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((LAUGHTER))

ORTH: YEAH. AND THE ISRAELIS, TOO. THAT GUY IS ARRANGING EVERYTHING.

((FEW EXCHANGES MISSING)).

[redacted]

AKIM: ((INTERPRETING)): HE SAID THEY HAD STARTED TO SUSPECT HIM ([redacted]). BECAUSE HE SAID, ABOUT [redacted] HE SAID HE HAD LEARNED ALL THESE THINGS FROM THE AMERICANS, SO IT WAS POSSIBLE THAT HE TOLD MONTAZERI. HE WAS THE SPY. AND WHEN IT BECAME KNOWN.....

[redacted]

AKIM: ((INTERPRETING)): WHEN THIS BECAME KNOWN, THAT'S WHY THEY ARE REALLY ANXIOUS TO BRING GHORBA BACK AND KEEP HIM FOR A COUPLE OF MONTHS. I HAVE A FEELING THAT WHEN THEY SAY A COUPLE OF MONTHS, IT'S GOING TO BE A LONG, LONG COUPLE MONTHS.

ORTH: YEAH, BUT HE'LL NEVER GO. HE WON'T GO. HOW WOULD THEY GET HIM?

AKIM: ((AFTER ASKING [redacted] CAN DO IT. [redacted] CAN BRING HIM.

[redacted]

AKIM: ((INTERPRETING)): SOMETHING VERY INTERESTING WHICH DURING THE MINISTER OF ((FEW WORDS MISSED)) THE UNIVERSITY STUDENTS PUBLISHED 5 MILLION COPIES OF THE STATEMENT ABOUT THESE AFFAIRS ((FEW WORDS MISSED)) KNOW WHAT WENT ON THERE.

[redacted]

AKIM: ((INTERPRETING)): ((IT)) HAD GOTTEN SO BAD [redacted] WAS AFRAID OF COMING OVER, AND HE BROUGHT IT TO HIS ATTENTION THAT IT WAS WITH THE APPROVAL OF THE IMAM KHOMEINI ((FEW WORDS MISSED)).

ORTH: [redacted] WAS AFRAID?

AKIM: [redacted] WAS AFRAID OF COMING TO THIS CHANNEL. HE WAS MORE AFRAID BECAUSE HE DIDN'T CONTACT THIS CHANNEL THEY JUST SENT.

[redacted]

AKIM ((INTERPRETING)): [redacted] WAS AFRAID ((FEW WORDS MISSED)) BLOWN.

ORTH: IF IT WAS BLOWN, IT WAS ONLY BLOWN INSIDE.

[redacted]

((FEW EXCHANGES INAUDIBLE))

ORTH: BUT GHORBANIFAR KNOWS SOMETHING IS GOING ON.

SECORD: HE DOESN'T KNOW EXACTLY WHAT. ((FEW WORDS MISSED)) UNLESS [redacted] HAS TOLD HIM.

ORTH: THAT'S A GOOD POINT.

AKIM: [redacted] DOESN'T KNOW EVERYTHING.

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TH: [redacted] KNOWS A LOT.

ORD: BECAUSE [redacted] TOLD ((WORD MISSED)), [redacted] TOLD GHORBANIFAR.

IM: [redacted] DOESN'T KNOW EVERYTHING ABOUT THIS ...

TH: WAIT A MINUTE, WE KNOW THAT GHORBA KNOWS, [redacted]

IM: ... THAT SOMETHING IS HAPPENING.

TH: ... AND HE KNOWS IT'S HIM.

ORD: HE KNOWS IT'S HIM AND HE KNOWS ABOUT THE MEETING IN BRUSSELS

IM: ((INTERPRETING FOR [redacted]

((PORTION MISSED))

IM: DOES HE MENTION HIS NAME?

TH: YES.

ORD: HE MENTIONS A [redacted]

[redacted]

IM: ((INTERPRETING)): HE THINKS IT'S [redacted]

ORD: IT'S GOOD IF HE THINKS THAT.

TH: WHICH ONE IS HE?

ORD [redacted] ... HE WAS [redacted] REMEMBER?

IM: HE'S STILL THERE. THAT'S ONE REASON THEY'RE GOING BACK.

ORD: HE'S A ((WORD MISSED)).

[redacted]

IM ((INTERPRETING)): HE REFUSES TO GO BACK, AND IF HE DOESN'T RELEASE THE MONEY, HE IS SUPPOSED TO GO HOME ((FEW WORDS MISSED)). HE'S GOT 20 MILLION DOLLARS--LISTEN TO THIS, I'M NOT KIDDING YOU--HE'S GOT 20 MILLION DOLLARS, HE HAS HIS ORDER FROM [redacted] TO GO BACK, HE DOESN'T ((WORD MISSED)) WANT TO GO BACK BECAUSE HE WANTS TO MAKE THIS COMMISSION FOR THE TOWS BECAUSE ((FEW WORDS MISSED)) HE CAN MAKE $1,200 PER TOW THAT THEY BRING IN.

?TH: LOOK, THERE'S ONLY ONE ... NO ONE ELSE HAS EVER DELIVERED ANY

?IM: THEY KNOW THAT. ((FEW WORDS MISSED)) HE DOESN'T KNOW.

?ORD: HE SAYS THAT THEY KNOW IT, BUT THIS IDIOT DOESN'T ((FEW WORDS MISSED)).

?IM: AND HE DOESN'T RELEASE THE MONEY. YOU KNOW WHAT ?SOMEONE? HAS BEEN TELLING HIM? HE SAID, 'WHY DON'T YOU TAKE THE 20 MILLION DOLLARS AND JUST ((WORD MISSED))

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HAKIM: ((INTERPRETING)): THE MISINFORMATION THAT [redacted] HAS BROUGHT OUT IS THAT [redacted] HAS ESTABLISHED A LINK WITH AMERICANS AND THEN THEY HAVE [redacted] TO FOLLOW UP ON THIS LINK. AND THIS SUBJECT, ONLY [redacted] AND HIMSELF ((FEW WORDS MISSED)).

CAVE: ((IN PERSIAN TO [redacted] -INAUDIBLE)).

SECORD: DOES [redacted] KNOW OF HIS INVOLVEMENT, OF THE DETAILS?

HAKIM: ((FEW WORDS MISSED)) BUT HE ([redacted]) HAS COME TO HIM ([redacted]), NOT KNOWING HE'S INVOLVED, AND ASKED HIS OPINION--THIS IS ABOUT THREE OR FOUR WEEKS AGO.

[redacted]

HAKIM: ((INTERPRETING)): WHEN HE RETURNED FROM WASHINGTON, TWO DAYS AFTER THAT HE ([redacted]) WENT TO HIM ([redacted]).

[redacted]

HAKIM: ((INTERPRETING)): BECAUSE HE KNOWS [redacted] KNOWS WHAT'S GOING ON ((FEW WORDS MISSED)) FOUND OUT, AND HE TOLD [redacted]

[redacted]

HAKIM: ((INTERPRETING)): THIS PARTICULAR ISSUE ((FEW WORDS MISSED)) BRUSSELS.

CAVE: ((WORDS MISSED)) KEPT ASKING ME, 'ARE YOU CURRENT ON WHAT'S GOING GOING ON IN BRUSSELS?' I SAID, 'YEAH ((WORDS MISSED)).'

SECORD: BUT IF HE KNEW ... HOW WOULD HE KNOW ABOUT BRUSSELS?

CAVE: THIS IS ... [redacted] KNOWS.

SECORD: YES, BUT HOW WOULD HE KNOW?

[redacted]

HAKIM: ((AFTER ASKING [redacted] HASHEMI-RAFSANJANI TOLD [redacted] ...

SECORD: THAT THERE WAS A DISCUSSION IN BRUSSELS

HAKIM: AND HE HAD YOUR NAME AND MY NAME, BUT THEY DIDN'T WANT TO USE HIS NAME. HE PREPARED THE REPORT, LET ME BACK UP. HE PREPARED THE REPORT WHEN HE WENT BACK FROM BRUSSELS, HE PREPARED THE REPORT FOR [redacted] HE SAID, 'I HAD A MEETING WITH FOUR PEOPLE,' AND HE PUT TWO FAKE NAMES AND CORRECT NAMES. HE MENTIONED YOU BY NAME, MENTIONED ME BY FIRST NAME, AND DISCUSSED EVERYTHING THAT WE HAD DISCUSSED. SO HASHEMI-RAFSANJANI CALLS [redacted] IN AND SAYS, 'HEY, YOU LIED TO US, BECAUSE I HAVE, THROUGH MY SOURCES--WITHOUT SAYING WHAT THE SOURCE IS--RECEIVED INFORMATION, AND THE INFORMATION SAYS 1, 2, 3, 4, EVERYTHING THAT WE DISCUSSED ((WORDS MISSED)).

SECORD: AND THAT'S WHY HE WAS FISHING.

HAKIM: THAT'S WHY HE ?CAME TO YOU, SIR?

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CAVE: YEAH, AND THAT'S WHY ((WO[illegible] HIM NOTHING.

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HAKIM: AND HE PROBABLY TOLD GHORBANIFAR, 'SOMETHING'S GOING ON.'

CAVE: ((MISSED))

HAKIM: HE CREATED THE NAME.

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SECORD: THAT WAS IN THE CONVERSATION WITH [redacted]

((SEVERAL CONVERSATIONS GOING ON SIMULTANEOUSLY))

NORTH: WE'VE GOT TO GET THIS S.O.B. WORKING. THAT'S WHAT WE'VE GOT TO DO. AND IT'S GOING TO BE ALL OVER THE FREAKIN WORLD. WHAT WE'VE GOT TO DO IS FIGURE OUT HOW WE'RE GOING TO HANDLE THE NEXT, LITERALLY, FEW DAYS. AT SOME POINT ALONG THE LINE, WE'RE GOING TO BE FORCED INTO ACKNOWLEDGING THAT WE'RE HOLDING PRIVATE DISCUSSIONS WITH THE ?IRANIANS?

SECORD: THE PROBLEM I SEE IS THAT WE CAN AFFORD THE HEAT, BUT I DON'T THINK THEY CAN. I MEAN, YOU CAN TAKE THE HIGH ROAD. ((YOU CAN SAY)) OF COURSE WE'RE TALKING. WE'RE TRYING ALL THE TIME ((FEW WORDS MISSED)) USE EVERY CHANNEL AVAILABLE. AND WE'RE ALSO TRYING TO STOP THIS BLOODY WAR ((FEW WORDS)) PEACE IN THE REGION. BUT I DON'T THINK THEY CAN STAND THE HEAT. DO YOU AGREE?

CAVE: ((FEW WORDS MISSED)) TO GET THOSE GUYS TO RELEASE THOSE DAMN HOSTAGES SO THAT WE CAN PUT THE BEST LIGHT ON THIS.

SECORD: WELL, IF THEY DO THAT, IT WOULD MAKE IT EASIER ON US.

NORTH: WELL, THAT'S WHAT I'M AIMING FOR.

SECORD: BUT THEIR PROBLEM ((FEW WORDS MISSED)).

NORTH. I UNDERSTAND THAT. THAT'S WHY THIS BACKGROUND IS VERY IMPORTANT TO WHAT WE SAY OR DON'T SAY. YOU KNOW, I MEAN, THERE'S ALREADY RUMORS, AND WE'VE SEEN THE JACK ANDERSON STUFF.

SECORD: IS HE [redacted] FINISHED WITH HIS AGENDA?

HAKIM: ((ASKS

[redacted]

HAKIM: ((FEW WORDS)) IS ACTUALLY ON BAD TERMS...

NORTH: WHO?

HAKIM: MONTAZERI. HE IS NOT ON GOOD TERMS WITH THE REGIME. HE HAS SHUT DOWN HIS HOUSE TO PEOPLE SO NO ONE CAN GO TO HIM, AND HE HAS CLOSED HIMSELF IN.

CAVE: HE HAS SEGUESTERED HIMSELF, IS ABOUT THE BEST WAY YOU CAN PUT IT.

NORTH: IS HE UNDER HOUEE ARREST?

AVE: NO. THAT'S "MOHASEREH" ((PERSIAN WORD FOR SEIGE)) ((WORD MISSED)) IS WHEN HE DOES IT HIMSELF, BUT IT'S UNDERSTOOD HE HAS TO DO IT.

HAKIM: IF HE DIDN'T DO IT HE'D BE IN DEEP .....

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NORTH: HEY, WHERE ARE WE HEADED HERE, GUYS? I NEED TO HAVE A SENSE FOR..

SECORD: I THINK WHERE WE OUGHT TO HEAD IS A DISCUSSION OF WHAT KIND OF ANNOUNCEMENTS OUGHT TO BE MADE WHEN THESE TWO GUYS ARE RELEASED THIS WEEKEND; THAT'S A TACTICAL THING THAT NEEDS TO BE....

NORTH: ((LOUDLY))HEY, GUYS DOWNSTAIRS, IF YOU GOT ANY MORE TAPE, SOMEBODY BRING IT UP [redacted] ((LAUGHS)) WE'RE OUT OF TAPE FOR OUR FREAKIN MACHINE. ((LAUGHTER)).

HAKIM: THIS GUY HAS TOLD 16 PEOPLE...

NORTH: WHO'S "THIS GUY?"

HAKIM: [redacted]

NORTH: WHAT DO YOU ((FEW WORDS)) TO CHANGE HIS TAPE? ((APPARENTLY TALKING ABOUT [redacted] WHO HAS LEFT THE ROOM.))

HAKIM: HE PROBABLY WENT TO SEE ((FEW WORDS MISSED)).

SECORD: HE WENT TO ?SEE? ((WORD MISSED))

NORTH: WHY. WHY IS HE ((FEW WORDS MISSED)) NEXT DOOR?

HAKIM: BECAUSE WE STARTED TALKING ((FEW WORDS MISSED)) HE SAID, HE MENTIONED, I ASKED HIM.....

NORTH: IS HE CARRYING SOME ((FEW WORDS MISSED)). ?DO THEY HAVE ONE? NEXT DOOR? ARE YOU SURE?

DAVE: ((INAUDIBLE))

NORTH: WHAT DID HE SAY?

HAKIM: THERE ARE TOO MANY THINGS HAPPPENING, SO LET ME GO BACK ? A LITTLE BIT? HE ((FEW WORDS MISSED)) MONTAZERI, HE CLOSED SHOP. THAT MEANS HE KNEW THAT IF HE DIDN'T, HE WOULD BE IN DEEP SHIT, BECAUSE KHOMEINI HAS ORDERED ?THE ARREST? OF THE, OF HIS GROUP WHO HAD PARTICIPATED [redacted] AND WHEN KHOMEINI SAYS "ARREST," IT MEANS EXECUTE THEM.

NORTH: O.K., I HEAR YOU, BUT I'M A LITTLE CONFUSED [redacted]

HAKIM: [redacted] DID IT.

NORTH: YEAH, [redacted]

DAVE: ((FEW WORDS MISSED)) WHAT [redacted] WAS DOING IS.. WHAT THEY WERE DOING IS ((FEW WORDS MISSED)) ((PORTION INAUDIBLE)) THE GUYS THAT THEY FOUND OUT THAT DID NOT COOPERATE AMONG THE ?SHI'AH?, THEY WOULD KNOCK OFF.

NORTH: I'M NOT SURE OF THAT. I MEAN...

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SECORD: I GATHER THAT THESE ARE GUERRILLAS THAT HE HAS KILLED?

DAVE: YEAH...

[illegible]

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ORD: [redacted]

IM: WELL, ASK HIM. THAT'S A SIMPLE ENOUGH QUESTION. ASK HIM. C 310
WELL ANYWAY, THE IMPORTANT THING IS THE PEOPLE THAT ARE BEING ARRESTED, FROM [redacted] GROUP, ARE GOING TO BE ALL ... EXECUTED. HE SAYS, "WHEN KHOMEINI SAYS 'ARREST THEM,' THIS IS UNDERSTOOD TO MEAN THAT THEY ARE GOING TO BE EXECUTED, AND THEY HAVE. .

ORD: ((INAUDIBLE))

IM: [redacted] HAS CLOSED DOWN SHOP. HE'S ?NOT ARRESTED YET? BUT HE. . PROBABLY THAT'S A DEAL THAT KHOMEINI HAS MADE. HE'S SAID, "YOU GO AHEAD AND SHUT YOURSELF IN." ((FEW WORDS MISSED.)) THAT'S MY ASSESSMENT. WOULD YOU AGREE WITH THAT, SAM? THEY WILL GO AHEAD AND EXECUTE THESE PEOPLE, BUT UH... ((PERSIANS RETURN TO THE ROOM.)) HE WENT TO BRING ME THE NEWSPAPER.

SEVERAL EXCHANGES INAUDIBLE))

E: ((APPARENTLY TRANSLATING FROM A PERSIAN NEWSPAPER.)) THE OFFICE OF THE IMAM HAS ISSUED ORDERS TO ARREST THOSE HAVE GONE ASTRAY, THAT ARE CONNECTED WITH [redacted]

ORD: DOES IT MENTION [redacted] SPECIFICALLY?

E: ((READING IN PERSIAN)) "CHARGES AGAINST THIS GROUP: MURDER BEFORE THE REVOLUTION; COOPERATION WITH SAVAK, AND THIS IS CONNECTED TO [redacted]" WELL, HE'S GOING TO BE DEAD AFTER THIS ANYWAY. "KIDNAPPING AND MURDER AFTER THE REVOLUTION; HOLDING WEAPONS AND EXPLOSIVES ILLEGALLY; FIVE, HOLDING SECRET GOVERNMENT DOCUMENTS; SIX, COUNTERFEITING GOVERNMENT DOCUMENTS; SEVEN, SECRET, UNLAWFUL ACTIVITY...

TH: WHAT ROLE DID HE HAVE WITH THE DAWA AND HIZBALLAH?

IM: WE WILL ASK HIM. BUT THE 16 PEOPLE...HE STARTED TO TELL ME THIS. WAS MR. ((NAME MISSED)) WHO WAS KNOWN TO BE AN AMERICAN ((WORD MISSED)) ASKED HIM WHO WERE THE [redacted]. .

TH: THESE ARE [redacted]

IM: YEAH. AND HE SAYS ((FEW WORDS MISSED.))

E: ((INAUDIBLE.))

TH: LOOK, WHY DON'T WE GO ?TAKE A BREAK?.

((MUST BE PRAYER TIME. PERSIANS TRYING TO ESTABLISH DIRECTION OF MECCA. AMERICANS LEAVE.))

((END OF TAPE A5))
((BEGINNING OF TAPE A6))

DURING FIRST PART OF TAPE, PARTICIPANTS APPEAR TO BE EXAMINING A MAP. EXCHANGES ARE FOR THE MOST PART INAUDIBLE.
LATER THE AMERICANS, EXCEPT FOR HAKIM, APPEAR TO HAVE LEFT THE ROOM. CAN HEAR CONVERSATION IN PERSIAN IN THE BACKGROUND BUT, EXCEPT FOR ISOLATED PHRASES, THE EXCHANGES ARE INAUDIBLE.

AT ONE POINT, HOWEVER, THE PERSIANS PLACE TELEPHONE CALLS, APPARENTLY TO TEHRAN, AND PARTS OF THEIR END OF THE CONVERSATION CAN BE HEARD.

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IN THE FIRST CONVERSATION, THE SPEAKER APPEARS TO BE [redacted] IN THE COURSE OF THE CONVERSATION HE DICTATES THE TEXT OF A TELEX IN WHICH HE STATES THAT "AN ERROR WAS MADE IN THE PART NUMBER OF ITEM 56. THE NUMBER HAS TO BE SOMETHING ELSE; WE WILL TELL YOU WHAT IT IS IN THE NEXT CONVERSATION.' MEANWHILE THE NUMBER OF THE BANK ACCOUNT IS [redacted]"

IN THE SECOND CONVERSATION, [redacted] TELLS SOMEONE TO PASS THE WORD ON TO SOMEONE ELSE THAT "THERE IS VERY LITTLE TIME ON THIS MATTER OF STEP NUMBER 4; IT MUST BE CONCLUDED BY SATURDAY AT THE LATEST. TELL HIM TO GET IN TOUCH WITH [redacted] SHOULD SAY THAT WE HAVE ONLY UNTIL SATURDAY AND THAT HE SHOULD TRY TO SEE TO IT THAT TWO ARE.... YOU KNOW."

((END TAPE A6))

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IM: ((INTERPRETS))

[redacted]

IM: ((INTERPRETS)) HE HAS HEARD ONLY TWO NAMES FROM YOU SO FAR. HE WANTS TO GET TO KNOW WHO IS SUPPORTING THIS ACTIVITY AND WHO IS NOT. SO FAR HE HAS HEARD ONLY TWO NAMES FROM YOU--POINDEXTER AND THE PRESIDENT. AND THEIR EVALUATION OF IRAN ((REMAINDER MISSED)) SO HE WANTS TO KNOW WHO....

CORD: THAT'S A MISPERCEPTION.

RTH: THE FACT IS, POINDEXTER HAS AUTHORITY TO DO MANY THINGS. IF HE WAS WEAK, HE WOULD NOT BE ALLOWED TO DO THESE THINGS. HE WOULD NOT HAVE THE POWER TO DO THEM. HE IS CRITICIZED A GREAT DEAL BY THE PRESS AND THE MEDIA AND BY CRITICS, EVEN WITHIN THE ADMINISTRATION. BUT HE IS A VERY POWERFUL MAN OR WE WOULDN'T BE HERE.

KIM: ((INTERPRETS))

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[redacted]

KIM: ((INTERPRETS)) WHO ARE THE OTHER EXCEPT POINDEXTER?

RTH: THE PRESIDENT, THE VICE PRESIDENT, THE NATIONAL SECURITY ADVISOR, CASEY.

KIM: NO BUT, THE LAST TIME WE SAID A DIFFERENT STORY.

RTH: NO THE PROBLEM IS, YOU WOULD PROBABLY PUT, IF YOU HAD TO DRAW UP A LIST, YOU'LD PUT FOR/AGAINST, OKAY? BUT THAT'S TOO SIMPLE. IT'S TOO BLACK AND WHITE. ON THE FOR SIDE YOU WOULD HAVE REAGAN, REGAN, POINDEXTER, CASEY; AND OVER HERE YOU WOULD PUT SHULTZ AND WEINBERGER. AND AFTER THAT, NOBODY ELSE COUNTS.

AKIM: ((INTERPRETS))

RTH: BUT RIGHT NOW, NOBODY IN OUR CONGRESS EVEN KNOWS ABOUT IT. AND WE'RE NOT GOING TO TELL THEM UNTIL WE GET THE HOSTAGES OUT.

AKIM: I MUST EXPLAIN TO HIM THAT IT IS WITHIN THE POWER OF THE ADMINISTRATION TO DO WHAT HE IS....

ORTH: THE PRESIDENT..

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AKIM: ((INTERPRETS))

AKIM: GENTLEMEN. AT THIS POINT, I REALLY TAKE THIS THING VERY, VERY PERSONALLY. PLEASE TELL THIS GENTLEMAN WHAT YOUR POSITION IS, AND I WANT ((FEW WORDS UNCLEAR.))

CAVE: ((IN PERSIAN)) AT THIS TIME NONE OF THE MEMBERS OF OUR CONGRESS ((FEW WORDS UNCLEAR.))

HAKIM: AND THEN PLEASE WRITE THIS QUESTION OUT. HE IS ALWAYS ?TAKE THE FACT? THAT I AM AN EX-IRANIAN, HE ALWAYS ?INSINUATES? THAT I MAY BE FOOLING AROUND WITH THE TRANSLATION. SO PLEASE, MAKE THAT CLEAR. THAT HAS BEEN A HANDICAP FOR ME THROUGHOUT THE PAST SEVERAL WEEKS.

CAVE: ((IN PERSIAN ASSURES THE PERSIANS AS TO THE ACCURACY OF HAKIM'S

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RTH: THAT'S VERY IMPORTANT.

KIM: HE KNOWS THAT. THAT'S WHY I WANT YOU TO GET... I TOLD HIM THAT. I WANT ((HIM)) TO GET ON THE DAMN PHONE AND SAY, "ITEM FOUR, TIME IS RUNNING OUT." HE DOESN'T NEED TO GO BACK. THAT'S WHY I'M HOLDING THE DISCUSSION.
IN MY OPINION, IF [redacted] WENT BACK AND TRIED TO COORDINATE THINGS, IT WOULD BECOME A COMPLICATED ?PHASE?, AND THEY'RE NOT GOING TO MEET THE DEADLINE. THAT'S MY OPINION. YOU KNOW THEY HAVEN'T HAD A CHANCE TO TALK; THEY NEED TO TALK. I SUGGEST THE FOLLOWING: THAT HE JUST GO ON AND FINISH WITH THIS BRIEFING HERE, AND TAKE A BREAK, AND WE TALK IT OVER. THE OTHER ((PORTION MISSED.)) THE HOSTAGES, BECAUSE I'M HEARING THINGS I DON'T LIKE. I THINK THAT I'M HEARING THAT ONE HOSTAGE IS GOING TO BE RELEASED FIRST ((FEW WORDS MISSED.)) THAT'S NOT PART OF THE AGREEMENT. I DON'T LIKE ((PORTION MISSED)) I DON'T WANT THE ((FEW WORDS MISSED)) THE WORK THAT WE HAVE ALREADY DONE.

:AVE?: ((INAUDIBLE))

KIM: I UNDERSTAND THAT. THAT'S WHY HE CANNOT GO BACK.

RTH: I DON'T CARE WHERE HE GOES, AS LONG AS HE GETS THE HOSTAGES ((WORD MISSED)).

AKIM: I UNDERSTAND, BUT IF ...

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AVE: WE'LL SEND HIM TO MIAMI BEACH.

AKIM: ((FEW WORDS MISSED) [redacted] SAYS THAT HE HAS TO GO BACK TO TEHRAN TO COORDINATE.

RTH: WELL IF THAT'S WHAT IT TAKES, THEN HE GOES BACK TO TEHRAN. THE IMPORTANT THING IS, AT THIS POINT, THAT I CAN GO BACK TO WHERE I HAVE TO GO AND ASSURE MY BOSS THAT THE PLAN HE APPROVED IS INDEED BEING CARRIED OUT--THAT THERE IS CONFIDENCE THAT BOTH SIDES ARE INDEED FULFILLING WHAT THEY SAID THEY'D DO. OUR SIDE UNDERSTOOD THAT WE'VE GOT THE MAPS, WE'VE GOT INTELLIGENCE, WE'VE GOT ALL THIS OTHER SHIT, AND IF I GO BACK AND TELL THEM THIS PIECE OF PAPER IS NO GOOD ((AND)) WE TEAR IT UP, I TAKE A LONG WALK.

HAKIM: I UNDERSTAND THAT, BUT I AM CONCERNED THAT BEFORE WE PASS THIS ON TO HIM, I'D LIKE TO SIT DOWN AND ((FEW WORDS MISSED)).

SECORD: DO YOU THINK WE CAN TAKE A BREAK, THEN?

HAKIM: I NEED 15 OR 20 MINUTES TO TALK ABOUT THIS WITH HIM BEFORE ?WE? PASS THIS ON.

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NORTH: I DON'T SEE WHY ... BUT WHY?

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HAKIM: ((FEW WORDS MISSED))

NORTH: WELL I JUST WANT TO FIND OUT WHAT THE HELL'S GOING ON.

HAKIM: WHAT IS GOING ON IS THAT IF WE ((FEW WORDS MISSED)), THE MAN WHO ((FEW WORDS MISSED)) THE ISSUE OF THE HOSTAGES. I'M NOT TALKING ABOUT ANY OTHER ISSUE, I'M TALKING ABOUT THE HOSTAGES. NOW IF WE

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THIS IS A NEW AGREEMENT. DO YOU FOLLOW ME?

NORTH: NO.

HAKIM: I GOT PAID AND I GOT DEMANDS, OK, AND ?WORRIED? THAT WE ARE GOING TO GET OUR HOSTAGES FOUR DAYS AFTER THEY GET THE ?MISSILES?

NORTH: RIGHT.

HAKIM: THAT IS AN AGREEMENT--FINISHED. WHAT IN THE HELL DOES IT MEAN TO COORDINATE? I WANT TO SIT DOWN AND TALK ABOUT THIS. TO ME THIS IS A NEW GAME WHICH I DO NOT LIKE THE SMELL OF IT. EVERYTHING HAS BEEN COORDINATED. I WAS TOLD EVERYTHING WAS COORDINATED. WHAT DOES THIS MEAN? I'D LIKE TO TOSS THIS THING AROUND BEFORE WE ((TWO WORDS MISSED)) WITH HIM.

AVE: I THINK THE IMPORTANT THING IS THAT WE'VE GOT TO HAVE TWO HOSTAGES BY SUNDAY.

NORTH: YEAH. I DON'T SAY, IF THEY'RE NOT OUT BY SUNDAY, I DON'T CARE .... LET ME JUST MAKE THIS ONE POINT, YOU KNOW, ONE OF THE TWO OF YOU ?TRY AND COMMENT? IF WE DON'T HAVE TWO HOSTAGES BY SUNDAY, ON MONDAY MORNING SOMEONE IS GOING TO FOLLOW UP ON ONE OF THESE OTHER CONTACTS. AND NEVER AGAIN WILL THIS GROUP OF PEOPLE BE GATHERED TOGETHER. IT WILL BE OVER. THAT POINT HAS GOT TO BE MADE.

HAKIM: ((INTERPRETS))

[redacted]

HAKIM: ((INTERPRETS)) THERE IS NO PROBLEM.

[redacted]

AKIM: ((INTERPRETS)) ((PORTION MISSED)) I WAS SMART ENOUGH THAT I DIDN'T THINK THAT IT CAN HAPPEN ON WEDNESDAY. ((FEW WORDS MISSED)) AND ANY TIME BETWEEN WEDNESDAY AND THE 13TH OF NOVEMBER ((FEW WORDS MISSED))

ECORD: I'M NOT GOING TO ACCEPT THAT ANY OF THIS ((FEW WORDS MISSED)) WE DELIVERED THESE THINGS AS QUICKLY AS WE COULD AT HIS REQUEST.

AKIM: I UNDERSTAND. HE SAID IF HE KNEW ((FEW WORDS MISSED)), HE WOULD NOT HAVE COME TO THIS MEETING; HE WOULD HAVE STAYED HOME TO COORDINATE. AND THEN I HAVE SPENT ?3 DAYS? ((FEW WORDS MISSED)) AND WE WERE IN TOUCH WITH HIM; I SAW NO PROBLEM WITH ((FEW WORDS MISSED)). AND NOW HE TELLS ME THAT THERE IS NO PROBLEM ((FEW WORDS MISSED.)) THE POWER STRUGGLE; ((FEW WORDS MISSED)) A QUESTION OF GETTING CREDIT FOR IT; I DON'T KNOW. THERE IS SOMETHING HERE THAT IS NOT JIBING, AND I WANT TO UNDERSTAND IT. AND FOR THAT, I NEED TO TALK ABOUT IT.

AVE: ((INAUDIBLE))

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[redacted] ((INAUDIBLE))

AKIM: THIS IS THE MOST IMPORTANT THING

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Chapter 14
Footnote 244

X

TAPE A1

C 283

(MEETING AT MAINZ, W. GERMANY, 29-30 OCT. 1986)

14-244

((QUALITY OF THE RECORDING IS VERY BAD))

((AFTER SOME PRELIMINARY CHATTER ABOUT TRAVEL SCHEDULES, ETC.))

RTH: BEFORE YOU START TO TALK, I JUST NEED ONE PIECE OF INFORMATION THAT IS VERY IMPORTANT. GIVEN THE UNREST THAT IS....IS THERE ANY DANGER FOR YOUR PLANE WHEN IT GETS INTO BANDAR ABBAS RIGHT NOW.

VE AND HAKIM: ((INTERPRET)) (ASKS IF THERE IS ANY DANGER TO THE PLANE, GIVEN THE CURRENT INTERNAL UNREST IN IRAN.)

[redacted]

KIM: NO, IT'S NOT IN DANGER. ((FEW WORDS UNCLEAR)) HAVE RESOLVED. IT'S UNDER CONTROL. HE WAS TELLING US ((FEW WORDS UNCLEAR)) BUD'S TRIP ((FEW WORDS)) GHORBANIFAR, THROUGH HIS.. FOUND OUT, HE FOUND OUT ((FEW WORDS)) ?15? YEAR OLD FRIEND OF GHORBANIFAR ((FEW WORDS)) APPRISED OF EVERYTHING FROM DAY ONE, AND WHO ((PORTION MISSED)) THE TRIP OF BUD, THAT EXPOSED, THERE WERE PUBLICATIONS FROM THOSE GROUPS ?IN THE? COUNTRY, FROM STUDENTS AND THINGS THAT SUCH ((FEW WORDS MISSED)) TRIP OF MCFARLANE TO IRAN. BUT HE SAID THAT THEY HAVE BROUGHT IT UNDER CONTROL. I DON'T KNOW HOW.

[redacted]

IAKIM: ((INTERPRETING)) HE SAYS THAT HE DOESN'T EVEN KNOW IF ((FEW WORDS UNDLEAR)) MCFARLANE'S MISSION, NOT THE NAME OF A PERSON, HE THOUGHT THAT IT WAS THE NAME OF ?ITS MISSION? HE SAID WHAT IS THIS. [redacted] LAUGHS)).

:AVE: NOW HE'S A FAMOUS PERSON. ((LAUGHTER))

NORTH: ((LAUGHING)) NOBODY KNEW WHO HE WAS BEFORE, BUT NOW EVERYONE KNOWS. WHEN WOULD YOU LIKE HIM TO COME BACK, TOMORROW? ((LAUGHTER))

[redacted]

CAVE: HE SAYS THAT WE HAVE AN AWFUL LOT OF WORK TO DO ((FEW WORD))

HAKIM: HE WANTS SAM AND RICHARD TO STAY.

SECORD: TELL HIM THAT WE JUST RECEIVED A CODED MESSAGE FROM THE AIRPLANE. THEY ARE ALL ((CLEAR)).

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HAKIM: ((INTERPRETS))

((HAKIM MAKES A PHONE CALL TO LONDON ASKING ABOUT [redacted] WHEREABOUTS. SEE PHONE TAPE TRANSCRIPT.))

((TIME OUT FOR EATING. DISHES RATTLING. UNINTELLIGIBLE CHATTER IN BACKGROUND.))

((NORTH MAKES A TELEPHONE CALL, WHILE OTHERS CHAT IN BACKGROUND.))

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((CONVERSATION AT THIS POINT IS TAKING PLACE AT SOME DISTANCE. ONLY ISOLATED, DISJOINTED PHRASES CAN BE HEARD. THOSE EXCHANGES WHICH CAN BE HEARD IN ANY SORT OF COMPLETENESS ARE AS FOLLOWS:))

AKIM: ((IN PERSIAN)) THEIR CONTACT IS WITH [redacted] AND [redacted] THOSE TWO PEOPLE.

ECORD: ONCE WE GET PAST STEP FOUR, THEN HE AND I WILL TALK ABOUT THIS. THEN ((WORD UNCLEAR)) PLAN A GOOD, FIRM CASE ((TRAILS OFF)) IN PRINCIPLE. CAN YOU TELL HIM THAT?

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[redacted]

AVE: WHAT HE'S SAYING IS THAT [redacted] TOLD HIM THAT IN ORDER TO ((FEW WORDS UNCLEAR)) ?SADDAM HUSAIN?, [redacted]

ORTH: ((UNCLEAR.)) THAT'S US DOING THAT ((ONE WORD)) [redacted]

ECORD: BUT MY POINT IS THAT BEFORE WE CAN GET TOO FAR ((FEW WORDS UNCLEAR)), WE'VE GOT TO HAVE OUR PEOPLE BACK.

ORTH: WE'VE GOT A WHOLE BUNCH OF THINGS WE HAVE TO DO BEFORE WE GET TO GET TO THAT POINT.

HAKIM: ((INTERPRETS)) ((SENTENCE UNCLEAR.)) THE MATTER OF TALKING WITH ((PORTION UNINTELLIGIBLE)) TALKS WITH [redacted] ((PORTION UNINTELLIGIBLE>))

[redacted]

HAKIM: ((INTERPRETS)) HE WANTS TO KNOW WHAT YOU DID.

NORTH: WE'VE DONE THREE THINGS. SINCE WE STARTED TALKING, AND BEFORE, ACTUALLY THIS A DIRECT RESULT OF THE DISCUSSIONS THAT WE HAVE HAD IN THIS ((WORD UNCLEAR.))

HAKIM: ((INTERPRETS))

ORTH: WE GOT [redacted] TO CUT OFF THE ARMS GOING TO IRAQ. WE STOPPED THEM.

HAKIM: ((INTERPRETS))

NORTH: SECOND, WE HAVE HAD PRIVATE DISCUSSIONS WITH BOTH THE KUWAITIS [redacted]

HAKIM: ((INTERPRETS))

NORTH: AND THIRD, WE HAVE TALKED VERY PRIVATELY WITH [redacted]

HAKIM: ((INTERPRETS, AND ADDS MOSTLY UNINTELLIGIBLE PORTION ABOUT TALKS WITH KUWAIT, [redacted]

NORTH: MY PROBLEM IS THAT MY BOSS, THE PRESIDENT WHO WROTE IN THAT BIBLE FOR YOU, AND POINDEXTER WHO IS MY BOSS, ARE LOSING PATIENCE. AND I AM UNDER GREAT PRESSURE, AS ARE THESE GENTLEMEN, TO SHOW THAT THIS CONNECTION THAT WE HAVE MADE IS GOING SOMEWHERE.

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KIM: ((BEFORE INTERPRETINFG, SAYS)) I WILL TRANSLATE EXACTLY WHAT YOU SAID. BUT YOU SHOULD BE AWARE, AS A RESULT OF THEIR WORK WITH US AND, YOU ALSO KNOW, THE ONLY WEAPON THAT THE IRANIANS HAVE IN THIS ((WORD UNCLEAR)) PEOPLE IN LEBANON IS THE IMAM KHOMEINI. IT'S THE ONLY THING THAT THEY LISTEN TO. SO THE IMAM KHOMEINI, AS A RESULT OF THE EFFORT OF THIS ((WORD UNCLEAR)) HAS PASSED A DECREE CLASSIFYING THE HOSTAGES AS PRISONERS; THEY ARE NOT ANY MORE SPIES OR THE BIG SATAN, NONE OF THIS. THEY ARE PRISONERS. HE WAS WAITING TO BRING A COPY OF THAT DECREE WITH HIM. AS A RESULT OF THIS, THE TOTAL ATMOSPHERE IN CONNECTION WITH THE HOSTAGES WILL CHANGE IN LEBANON. THEY ARE GOING TO GO WITH THIS WEAPON INSIDE AND TRY TO SORT THINGS OUT ?IN ACCORD? WITH WHAT THEY ALSO COMMITTED THEMSELVES TO US. SO I WILL GO AHEAD AND TRANSLATE THIS.

((END OF SIDE A, TAPE A1.))
((SIDE B, BLANK))

((TAPE A2))

[redacted] VOICE IS SO FAINT IN THIS TAPE THAT IT IS COMPLETELY UNINTELLIGIBLE.))

AKIM: ((INTERPRETS NORTH'S PREVIOUS STATEMENT))

[redacted]

AKIM: ((INTERPRETS)) HE WANTS TO START THE OFFICIAL MEETING. HE THANKS ALL OF YOU FOR YOUR EFFORTS.

[redacted]

AKIM: ((INTERPRETS)) THERE ARE FOUR ISSUES THAT HE IS ESTABLISHING AS THE POINTS FOR DISCUSSION. IF YOU WOULD LIKE TO AD LIB, PLEASE FEEL FREE TO DO SO.

[redacted]

HAKIM: ((INTERPRETS)) HE IS REQUESTING THAT ALL ISSUES THAT ARE BEING DISCUSSED HERE IN HIS PRESENCE NOT BE DISCUSSED IN ((FEW WORDS MISSED)) ?INFORMAL? MEETING ?IN THE U.S.?

[redacted]

HAKIM: ((INTERPRETS)) HE WANTS TO MAKE THE OBSERVATION TAHT THE REASON WE HAVE BEEN SUCCESSFUL SO FAR HAS BEEN, AT LEAST AT THE LEVEL OF THIS GROUP, WE HAVE BEEN TRUTHFUL WITH EACH OTHER AND WE HAVEN'T LIED.

[redacted]

HAKIM: ((INTERPRETS)) WITH THE INCOMPLETE, BROKEN SYSTEM OF COLLECTING INFORMATION THAT THEY HAVE, THEY HAVE COME TO THE CONCLUSION THAT IN YOUR GOVERNMENT ?WE? HAVE PROBLEMS AND DIFFICULTIES IN ESTABLISHING RELATIONS WITH IRAN. IF SO, HE WOULD LIKE TO FROM THE VERY ((FEW WORDS UNCLEAR)) AS TO WHAT THEY ARE, AND WHY, AND THEN HE IN TURN WILL DO THE SAME THING AND EXPLAIN WHAT ARE THE DIFFICULTIES THAT IRAN ((TRAILS OFF)).

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((minitape))

cave: [illegible] says th[illegible]e got it, but it's not in bandar abbas.

secord: [illegible]t's not? when we talked last, my understanding was they [illegible]d it in a shelter at bandar abbas. where is it?

cave: [illegible]ran.

secord: [illegible]

[redacted]

cave: ((interpreting)) they can bring it in about a day and a half.

secord: okay.

[redacted] as soon as we staRT, b[illegible] ((few words missed))

secord: do they have a transpo[illegible] move it.

cave: he says they don't wan[illegible] army to know that they're giving ((few words missed)).

secord: so ((few words missed)) they will cover us?

[redacted]

cave: ((interprets)) oh, yes. [illegible]t he says is that the best way to do this is that we'll have the t-72 get there roughly the same time as the ship.

secord: he has to give me the time, and i will adjust accordingly. he must also give me instructions.

cave: ((interprets))

[redacted]

cave: he doesn't want . he says that the agreeme[illegible] [illegible]t just a regular, uh, you know, commercial ((word [illegible]))

secord: whatever he wants. if they have the...

cave: ((interprets))

secord: the reason why i said navy was that i [illegible] the nav[illegible] the cranes. i suppose they do.

((interprets))

what did i tell you that it weighs? 46,000?

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north: forty. it weighs 42 tons.

secord: forty-four tons, ?in fact?

north: forty-two tons. maybe with a full combat load it's 44 tons

secord: [redacted] 44 or 45 tons.

north: [redacted]ah, [redacted] they have a 100 thousand pound crane at baNDAR [redacted]bbas an[redacted]e?

secord: i don't know.

north: [redacted]well, if[redacted] don't, it's never going to get on the ship.

secord: [redacted] do in the navy.

cave: (([redacted] whether or not a suitable crane exists at bandar abbas. [redacted] says that the revolutionary guards has placed one there.))

cave: he says that they have one that they unload ((few words missed)

north: if it unloads 'em, it will load 'em.

[redacted]

cave: ((interprets)). he say[redacted]t the pasdars have their own pier.

((phone rings. [redacted] apparently giving a room number, say "515," and hangs up.))

secord: sam. would you ask hi[redacted] they would be so kind as to put a full load of the big[redacted] ammunition in the tank. whatever it is, 30, 40, 50 roun[redacted]hatever ...

cava: ((interprets)) ((while cave interprets, the following exchange takes place between north and secord:))

north: ?why don't we ask him? if he wants to get rid of an mi-24 or an mi-?21?, which we don't have to ((few words missed))

secord: it would be nice to have though.

north: no. well we've got ((few words missed))

secord: we've got plenty of that kind of ammo?

north: i mean that's not as important as....

secord: well, they may not have it either.

north: it would be good to have a sample of

secord: ((asks cava)) do they have it?

[redacted]

cave: ((interprets)) they have .. there's a guy named [redacted] the f b i. confiscated twenty million dollars. ((to [redacted] in

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[illegible]

persian:)) When was this?

[redacted]

cave: ((interprets)) he says about a year and a half ago

[redacted]

cave: ((inter[redacted])) yeah, this was another ...

north[redacted] ... sting, or was this ...

cave: I don't [redacted] if it was a sting or not. But [redacted] is well kno and he [redacted] them that the twenty million dollars ((few words [redacted]w missiles ((two words missed)).

north: [redacted] only guy who can get tow missiles.

second: yeah, but he's got ((word missed)). He's asked ... he wants their money back.

cave: what they want to know is about the money.

north: i don't know, i'll check ...

[redacted]

cave: ((interprets)) he sa[redacted]at they even won a court case on the money in the united s[redacted] and the f.b. was ordered ... the f.b.i. was ordered by [redacted] court to turn over the money, and the haven't yet.

north: why don't you get for [redacted] you get for me the facts for our next meeting, and i wi[redacted]o and find out what i can.

cave: ((interprets))

second: ((interrupting)) name of attorneys ... That's a lot of money

north: you get for me the facts on what happened--the names of the attorneys, the dates ... bring that to the next meeting when we give you the communications equipment ...

cave: ((interprets))

north: ... and i will take the information you [redacted] and find out what happened, and then call you on that [redacted]ations and tel you what the answer is.

cave: ((interprets))

((knock at door.))

second: tell him the name of the ship is ria-[redacted]-a

north: do we have the ship's callsign?

second: that is the ship's callsign--ria.

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CIIN 4525 (([redacted] apparently starts to leave the room.))

[illegible]

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C 10454

second don't be gone long. we've got work to do. Tell[redacted]

((recording is interrupted at this point. when recording is resumed, the conversation transcribed below was in progress. It should be noted that this conversation was [illegible]ailable on portions of other tapes produced from another [illegible] device. (Portions of tape #7 and #8, transcriptions [illegible]re provided earlier.) The quality of this recording however [illegible] considerably superior to the other tapes, and this transcription contains a number of major revisions and addition of material which could not be recovered from the earlier tapes.))

hakim ......w[illegible]to raise a few issues ((few words missed)) some [illegible] the[illegible] are going to raise serious objections, but his [illegible]s to discuss it and try to remove the ((word missed)

[redacted]

HAKIM: ((INTERPRETS)) the deduction, BACK IN TEHRAN... HE JUST ... HE'S SAYING HE'S PASSING ON WHAT THE PEOPLE SAY THERE. THEY CONSIDER that your seven POINTS AS THE OFFICIAL POSITION OF THE U.S. THE NINE POINTS HE REFERRED TO AS THE AGREEMENT BETWEEN [redacted] and ?!?. AND EXAMINING THE SEVEN POINTS, THEY CO[illegible] THE CONCLUSION THAT THE U.S. IS VERY CAREFUL AND [illegible]ul--HE REFERRED TO that EARLIER--IN TAKING THE ST[illegible] TOWARDS NORMALIZING RELATIONSHIPS. AND HE HAS [illegible]ENDED OUR POSITION BY PASSING ON TO THEM THE PO[illegible]N OF THE U.S. THROUGH THE WORDS OF GENERAL SECORD, [illegible] WERE THAT THE BOTTOM LINE IS THAT WE WENT THROUGH A [illegible] OF SONG AND DANCE WITH "YOU", AND YOU RELEASED T[illegible]RIESTS FOR US AND THEN YOU TURN AROUND AND got two O[illegible] GUYS. THAT'S THE BOTTOM LINE. HE SAYS, "I HAVE PA[illegible] THIS ON to them."

[redacted]

HAKIM ((INTERPRETS)) AS SOMEONE WHO'S INTERESTED IN SEEING THESE THINGS TAKE PLACE, I'D LIKE TO TELL YOU THAT THERE ARE a few STEPS, SEPAR FROM THE STEPS THAT WE ALREADY DISCUSSED. ?((THEY))? WILL SOLVE M OF THE PROBLEMS. One is the issue of the prisoners in Kuwait--the Da'wa.

[redacted]

hakim ((interprets)) The other one is the [redacted] cameras for th [redacted] iran needs them "desperately."

second That's a new one, isn't it?

hakim yes. it's new and not new because [redacted] br[illegible]

[redacted]

hakim ((interprets)) he says the other one is [illegible] spare parts ((few words missed)). there are [redacted] phoenix missiles that are not operational.

cave there are [redacted]

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hakim [redacted] and by the way, [redacted] has given me the list of spare parts and in his opinion, this is a move that can resolve the question of all the hostages because hasheni-rafsanjani is interested personally in this.

[redacted]

hakim: [illegible] he has told him a few times.

C 10455

secord: [illegible]'s interested in what--the [redacted] missiles?

hakim: [illegible]e spare parts and repairing ((word missed)).

[redacted]

hakim: [illegible]) upon the release of the two ... immediately follo th[illegible]words missed)) to go to work ((two words missed)) phoenixes and bring some of the ?parts? with them. ((few words missed.)) The 1500 tows ... they do not necessarily have to have them right away because they have now enough to operate.

secord: ((few words missed.)) Does he have some other points? because I have a lot of questions--unless you want to discuss them now.

hakim: ((interprets))

secord: on phoenix missiles, if y[illegible]ave [redacted] phoenix missiles at isfahan, m guess is that you don't n[illegible]ny spare parts--or you may only nee a few spare parts--and yo[illegible]ghtly point out what you need is one or two technicians, proba[illegible]t lease two technicians for differe functions within ...

cave: do they have the calibra[illegible]equipment?

secord: they did have. i put it [illegible]here.

cave: that's what i wanted to ask you ((few words missed)).

secord: they had the hawk missile building and test equipment. we all pu it ... i don't know if it's still there. not hawk, but phoenix. i've got hawks on the brain.

[redacted]

((round of exchanges missed.))

hakim: ((interprets)) he says all the calibration [illegible] is there.

north: does it work?

hakim: ((interprets))

[redacted]

secord: he doesn't know

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hakim: ((interprets)) he says the air force has told him they are there but

SECORD THEY HAVE A LIST OF SPARE PARTS FROM THE AIR FORCE, BUT I DON'T

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TRUST THE AIR FORCE, BECAUSE WE WERE JUST STARTING TO TRAIN THE HOMAFARS IN THIS FIELD, AND NONE OF THEM WERE any   THEY WERE NOT ((two words missed)) YOU KNOW, THEY WERE NOT REAL PROFICIENT NONE OF THEM WERE.

C 10456

HAKIM: ((INTERPRETS FOR [redacted]).

SECORD: [illegible]Y GUESS IS THAT YOU HAVE BIG PROBLEMS IN THE FIRE [illegible]ROL S[illegible]--THE AWG-9 FIRE CONTROL SYSTEM--radar and fire [illegible]trol on [illegible]airplane.

HAKIM: [illegible]INTERPRETS FOR [redacted]).

SECORD: [illegible] then, [illegible]urse, you UNDOUBTEDLY have PROBLEMS WITH THE [illegible]SILES [illegible]LVES, BECAUSE THEY require a lot of care. [illegible] said you need at least two technicians. [illegible] are different kinds of ((word missed)). they [illegible]bly need six. I HAVE NOT SEEN THE LIST OF SPARE PARTS YOU TALK ABOUT, BUT I WOULD NOT... I DON'T IMAGINE IT'S A VERY GOOD LIST is what i'm trying to say. i could look at it, but it wouldn't mean anything to me. i WOULD NOT BE INCLINED TO SAY IT'S A VALID LIST UNTIL EXPERT TECHNICIANS LOOK AT ((word missed)).

HAKIM: ((INTERPRETS FOR [redacted]

[redacted]((MISSED))

hakim: ((interprets)) he says w[illegible]n't you get your expert ((few words missed)) tuesday.

secord: but i must ((few words mi[illegible])) to leave before tuesday. this is big problem for us. we w[illegible] have to do some organizing. I ALSO BELIEVE THAT THERE ARE A [illegible] OF SPARE PARTS IN THE DEPOT AT ISFAHAN AND IN DOSHANTAPS[illegible]t in doshantapeh but in   what's the name of that place ne[illegible] doshantapeh? the air force logist uh ... there's a special name for it ... but anyway, between THESE TWO SITES, THESE TWO DEPOTS, I AM CERTAIN THAT THERE ARE MAN MANY SPARE PARTS WHICH THEY CAN NOT IDENTIFY BECAUSE their automat logistics systems just shut down.

HAKIM: ((INTERPRETS FOR [redacted]).

SECORD: AND THEN FINALLY I WOULD SAY THAT IF YOU HAD [redacted] MISSLES, GOOD TECHNICIANS COULD CANNIBALIZE AND MAKE OPERAT[illegible] SOME MISSILES VERY QUICKLY--IF YOU HAD GOOD TECHNICIANS

HAKIM: ((INTERPRETS FOR [redacted]

?north?: ((missed))

secord: at minimum ((few words missed)) there a[illegible]fferent M O S 's involved in this area. i don't [illegible] words missed)). they're great missiles, but t[illegible] comp[illegible]ed

cave: ((missed))

secord: well we'd have to go to hughes, i think, and find ... some volunte ((few words missed)) well, i'm coming to my bottom line now.

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C 10457

north: ?where's? the answer?

secord: there isn't any easy answer.

north: sure there is.

secord: what is it?

north: got them all back and ... the big problem, dick, is that anything between now and the ((few words missed)).

secord: that's what i'm coming to. WHAT I'M TRYING TO SAY TO [redacted] IS THAT THIS IS NOT A SIMPLE PROBLEM THAT CAN BE FIXED OVERNIGHT. IT'S GOING TO TAKE A LITTLE BIT OF time.

cave: wouldn't it be better to bring them out?

secord: it might be.

north: bring what out? the missiles?

secord: it might be better to bring some out, but ...

north: yeah, but then you can't ((word missed)) ... we've got to bring the airplanes out too, ?calibrated on the bird?.

secord: i'm saying it's not a simple problem, and the white house is going to have to authorize us to send in some technicians, and then we'v got to go through these steps before we do it.

HAKIM: ((INTERPRETS FOR [redacted]

SECORD: ((PORTION MISSED)) it's TECH SUPPORT for HAWKS we were TALKING ABOUT, but you KNOW, I'M SURE THE PRESIDENT WOULD AUTHORIZE US TO w with them IF WE GOT OUR THREE PEOPLE. But we're going to have to g OUR THREE PEOPLE. Right or wrong?

NORTH: YEAH, THAT'S EXACTLY THE PROBLEM.

SECORD: TO PUT IT ANOTHER WAY, [redacted] YOU GIVE ME THE THREE PEOPLE TOMORROW, AND BY NEXT WEEK WE'LL PROBABLY HAVE SOME PEOPLE IDENTIFIED to do this work.

HAKIM: ((INTERPRETS FO[redacted]). ((THEN hakim and north speak a few sentences which cannot be heard.))

hakim: our agreement is to send ... step six ... ?more? hawk ... ((few words missed)). they want to change ((two words missed)). follow

north: well yeah, but step five above that ...

hakim: it has nothing to do with ?phoenix?. ((sentence missed)) they are making a change—step six is the hawk. they want to have phoenixe but then we change our position—we send also technicians who can do that, and then .. but we want three. follow me?

SECORD: well you're SAYING THE SAME THING I JUST SAID, WHICH IS I THINK THE PRESIDENT WILL AUTHORIZE US to DO SOME TECHNICAL WORK--WE'VE ALWAYS TALKED ABOUT THIS, IF WE GET OUR THREE PEOPLE BACK. THAT'S WHY I SAID, "you GIVE ME

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THE THREE PEOPLE TOMORROW. AND I'LL BET YOU HE'LL SAY okay go get SOME TECHNICIANS next week

C 10458

hakim: is it okay if i say it the way i said it? he would understand it better.

NORTH: T[illegible]EM I'VE GOT IS THE WHOLE DAMN appearance of [illegible] ... bodies. I MEAN, IF WE'RE REALLY [illegible]CERE A[illegible] THIS WHOLE FRIGGIN THING, WHAT WE OUGHT TO [illegible] DOING IS, [illegible]EY OUGHT TO BE EXERCIZING EVERY POSSIBLE [illegible]OUNT OF LEVERAGE THEY'VE GOT TO GET THOSE PEOPLE OUT, [illegible]D WE AGREE THAT AS SOON AS THEY'RE OUT, WE CAN DO ALL [illegible]NDS OF GOOD THINGS, BECAUSE THAT'S WHERE WE'RE [illegible]ading?. [illegible] will have? A FRIGGIN FMS CONTACT ?team? [illegible]THER[illegible] WE'RE TRYING TO DO IS TO close the bridge [illegible]HIS SECRET SHIT, AND GET ON WITH THE REAL RE[illegible].

HAKIM: ((INTERPRETS FOR [redacted]

NORTH: YOU KNOW, WHEN WE WERE IN TEHRAN, okay, FOULED UP THOUGH IT MAY HAVE BEEN, IF YOU LOOK AT THE DOCUMENT THAT I WROTE AND MCFARL WAS PREPARED TO SIGN, YOU WILL SEE THAT THAT'S WHAT WE WERE TALKIN ABOUT WAY BACK THEN, WAY BACK IN MAY--is to get BEYOND THE HOSTAGES and GET ON [illegible] A FORMAL RELATIONSHIP.

HAKIM: ((INTERPRETS FOR [redacted]

NORTH: EVERYTHING WE HAVE DONE [illegible] THE VERY FIRST CONTACT, WHETHER IT B STEP BY STEP OR WHETHER [illegible] ALL AT ONCE, THAT'S WHERE WE'VE BEEN TRYING TO GO.

HAKIM: ((INTERPRETS FOR [redacted]

NORTH: YOU GUYS DON'T TRUST US, [illegible]WE DON'T TRUST YOU, AND SO WE END U DOING IT A LITTLE BIT AT [illegible]ME, and it takes forever

HAKIM: ((INTERPRETS FOR [redacted]

cave: ((to [redacted] in persian)) when i wrote this ((word missed)) we ?agreed? with regard to technicians for the hawk missile fine. now, it is our opinion that there will be no problem with regard to technicians for the phoenix. but this is a new thing.

[redacted] no. ((inaudible.))

cave: no. there was no problem.

[redacted] ((talks for about a minute. inaudible))

?cave? ((inaudible))

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?secord? money?

?cave? ((portion missed)) . . have got four million.

?secord? millions of dollars.

hakim: i happen to be the agent who ?sold them? ((few words missed))

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?nobody asks?.

?north? how much were they?

hakim: uh. c.-.. chicago ?area? industries.....c.a. ((then starts to tal[illegible]ian to [redacted] north interrupts))

north: [illegible] it is!

C 10459

((seco[illegible]d hakim talking at the same time.))

hakim: [illegible]l, at that time, it was about....close to two million dollars [illegible]ew words missed))

secord: [illegible] ABOUT THE LONG FOCAL length camera.

hakim: rig[illegible]

secord: that's NOT WHAT'S HE'S TALKING ABOUT.

NORTH: but SEE, YOU DON'T KNOW UNTIL YOU ACTUALLY GO OUT THERE AND ((FEW WORDS MISSED))

SECORD: IS HE TALKING ABOUT THE INTEGRAL SYSTEM--THE SYSTEM IN THE NOSE OF THE AIRPLANE?

HAKIM ((asks [redacted] what sys[illegible]e is talking about. [redacted] does know. cave asks if he is [illegible]ing about "oblique." north interrupts.))

NORTH WE CAN GO JUMP THROUGH OU[illegible] AND GET YOU A camera THAT WILL COST A MILLION DOLLARS, OR WHA[illegible], AND IT WILL TURN OUT TO BE THE WRC (expletive) camera . the[illegible]ry ((interpreting)) that one!

HAKIM ((INTERPRETS FOR [redacted]

[redacted]

HAKIM HE IS NOT NEGOTIATING this

NORTH: I UNDERSTAND THAT

HAKIM he is just advising. HE'S SAYING THE SAME WAY THAT YOU ARE TELLI ME, WHAT ARE THE THINGS THAT WOULD OPEN THE WAY FOR YOU IN THE UNITED STATES, I AM PASSING ON TO YOU THE WAY THAT WOULD OPEN THE WAY FOR ME AND FOR [redacted] to do things. i [illegible]m that nobody wants me to pass this....for instance [illegible] not going t be ?costing you a thing? to send these guys [illegible] not trying to save some money. if you don't raise the [illegible] the cost of these technicians, that is going to create [illegible] atmosphere, it can not be....

secord: we haven't talked about cost of technicians

NORTH YOU KNOW, WHEN WE GO AND DO SOMETHING LIKE THAT, THE[illegible]N'T GOING TO BE A cost for it. I KNEW EXACTLY WHAT THE THREE THINGS YOU WERE GOING TO TALK ABOUT WERE. YOU KNOW WHY? BECAUSE ANOTHER EMIS FROM IRAN HAS ALREADY TOLD OUR GOVERNMENT THAT. THAT'S EXACTLY T THREE THINGS THAT WERE RAISED WITH US TWO WEEKS AGO.

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HAKIM: ((INTERPRETS FOR [redacted]).

NORTH: i'm telling you, WE'RE SO CLOSE TO HAVING DONE THE RIGHT
THING--YOU AND I AND [redacted] AND THE MEN IN THIS ROOM, AND
YET WE'RE GOING TO FOUL IT UP; I CAN SEE IT COMING.

HAKIM: ([illegible] FOR [redacted]).

C 10460

secord: [illegible]old th[illegible]is a year ago.

NORTH: [illegible] HAVE KNOWN FOR OVER A YEAR THAT YOU NEED TECHNICAL HELP, AND WE
[illegible]VE OFFERED CONSTANTLY TO SEND IT. GO BACK AND READ THE DOCUMENT
[illegible]T I WROTE IN TEHRAN IN MAY.

HAKIM: [illegible]TERPRE[illegible]R[redacted]).

NORTH: A[illegible]T TO GOOD [redacted] OR
WHATEVER THE HELL HIS NAME IS. I GAVE IT TO HIM. it's in that one.

CAVE: ((UNINTELLIGIBLE))

NORTH: WHEN WE WERE IN TEHRAN, ALL MCFARLANE SAID WAS, "LOOK. WE DON'T WA
YOU GUYS TO LOSE THE WAR. WE WANT AN HONORABLE SETTLEMENT. AND ALL'
YOU HAVE TO DO IS USE YOUR INFLUENCE TO GET THOSE HOSTAGES OUT, AN
WE'RE GOING TO DO ALL KINDS OF THINGS FOR YOU." IN FACT, HE SAID,
"DON'T LIMIT YOURSELF TO [illegible] THIS. THERE IS MUCH, MUCH MORE THAT
COULD BE DONE. THE HOSTAG[illegible]VE TO GET BEyond US. we have to get
beyond them.

HAKIM: ((INTERPRETS FOR [redacted]

((time out for tea))

[redacted]

HAKIM ((INTERPRETS)) THEY ARE CO[illegible]INCED THAT we have ??good
intentions?? HE HAS SAID IT BEFORE. HE SAID, "AFTER
THINGS BROKE UP IN IRAN, AND YOU left and then ?yet? you
sent this STUFF, THAT INDICATED TO THE IRANIANS THAT THE
AMERICANS HAVE good ((few words missed)). he has brought
this up but he says, in other words he's saying he knows
that we have ??good intentions??

NORTH so HOW THE HELL DO WE GET FROM WHERE WE ARE TODAY TO WHERE WE'VE G
TO GO?

HAKIM: ((INTERPRETS FOR [redacted]).

[redacted] and hakim talk for a while in persian))

HAKIM: ((INTERPRETS)) HE SAYS A COUNTRY LIKE THE [illegible]ITED ST[illegible]ES--A
SUPERPOWER- is it not in their power to s[illegible]
technicians tuesday? i said, "yes it is. [illegible]m
on monday, we can send then on sunday." [illegible]... that[illegible]y
i wanted a few minutes.... THEN I SAID, "[illegible]MAM LIKE[illegible]
KHOMEINI--THE FIRST SHIAH IMAM for the [illegible] government[illegible]
of shi'ahs in the world-- HE DOESN'T HAVE THE POWER OF
GOING TO LEBANON AND TELLING THOSE ASSHOLES TO RELEASE
THE THREE HOSTAGES? SUCH A GREAT RELIGIOUS POWER?"

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north and his answer was?

hakin "NO. HE DOESN'T know the details." I SAID, "WELL, OUR PRESIDENT DOESN'T the details." I'M TRYING TO MAKE THE POINT THAT IT'S THE WRONG ATTITUDE TO SIT BACK there and say THE [redacted] STATES IS A SUPERPOWER, AND we FORGET THAT T[redacted] A SUPER RELIGIOUS COUNTRY. IT'S VERY EQUAL.

NORTH: [redacted], it i[redacted] THE INFLUENCE THAT THE IMAM HAS OVER [redacted]SE WHO HO[redacted]THE HOSTAGES IS near total.

C 10461

HAKIM: [redacted] COURSE. HE CAN GET THOSE PEOPLE BACK WITH ONE WORD, ONE WORD. [redacted]M CONVINCED. IT'S no bullshit. i think... he can. he can.

HAKIM: [redacted]ERPR[redacted]R [redacted]

[redacted] and hakim talk in persian))

HAKIM: ARE YOU GOING TO STICK TO THE PAPER THAT YOU GAVE THEM IN MAY, IF YOU GET THE HOSTAGES BACK?

NORTH: SURE. AND YOU notice that paper ALSO TALKS ABOUT "ALL OF THE HOSTAGES," ALL THE HOSTAGES, ALL TERRORISM STOPS. that paper talks about that.

HAKIM: I UNDERSTAND. BUT YOU ARE[redacted]ARED TO STICK TO YOUR PAPER OF MAY?

NORTH: OF COURSE

HAKIM: ((INTERPRETS FOR [redacted]

north: this sticks to that paper[redacted]at's part of that

second: i don't know if he's seen[redacted]

HAKIM: i'm trying to make a poin[redacted] [redacted] just trying to help

((hakim and [redacted] talk in persian.))

hakim: you gave him a copy and he has read it?

NORTH: YEAH. AND THERE IS STILL A COPY THERE IN TEHRAN

HAKIM: yeah, he has read it.

second: has he read our proposal on the da'wa prisone[redacted] don't know if seen it

hakim: ((interprets))

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[redacted]

hakim: yeah, he liked it. he saw it

[redacted]

hakim: ((interprets)) he said he liked the approach that you gave the pa he quoted it. ((few words missed)) you could have insisted that you wanted to give the paper after ((few words missed)). he said these things open the way. very important. i said, "we are willi

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how can we tell you?"

secord: we have some more information on the da'wa prisoners . that sam ha

NORTH: IT was not just GIVING YOU A PIECE OF PAPER. WE HAVE ALREADY START

CAVE: (([illegible])) WE'VE TAKEN ACTION.

HAKIM: [illegible]ERPRE[illegible] [redacted]

C 10462

HAKIM: [illegible] explaining to him one american ((word missed)). if he [illegible]meaning an american)) says, "maybe i can ?do [illegible]ething?," he has studied the situation thoroughly [illegible]ore he s[illegible]aybe. they ((the americans)) told you [illegible]an)) n[illegible]ys...in two days they have the goddamn [illegible] IF THESE PEOPLE ((the americans)) HAVE G[illegible]S LIST OF THE 17 GUYS, YOU CAN BET YOUR ASS THAT [illegible] HAVE STUDIED IT AND EXAMINED IT AND THEY ARE TAKING STEPS.

NORTH: I HAVE ALREADY MET WITH THE KUWAITI foreign MINISTER, SECRETLY.

HAKIM: ((INTERPRETS FOR [redacted].

NORTH: IN MY SPARE TIME BETWEEN blowing up nicaragua. ((LAUGHS))

SECORD: WE HAVE ALSO GOTTEN A SPE[illegible] REPORT . sam has...on the prisoners, and some interesting info[illegible]on...like they haven't been visited, which is ridiculous.

((CAVE AND [redacted] CON[illegible] IN PERSIAN. UNINTELLIGIBLE.))
((secord and north talk a[illegible] their drinks. two conversations going on at once.))

north: what are we talking about[illegible]

cave: we were just going over

secord: ((interrupts)) he's all over the area

cave: the experts and ?everything? ((few words missed)) what's really needed is a group of people to go out there. they've got all kinds of problems

NORTH: WELL, OF COURSE THEY DO. I TOLD them THIS A YE[illegible]GO. LOOK, LET ME TELL YOU SOMETHING. THE PROBLEM--[illegible]O WE ALL UNDERSTAND IT--IS IF A VISIBLE EFFORT IS MADE [illegible] UNITED STATES GOVERNMENT WHEN THERE'S A LONG LIST OF HOSTAGES [illegible] HELD IN LEBANON, THIS PRESIDENT IS GOING TO GET STONED [illegible] [redacted]

[redacted]

secord: and by his own people.

NORTH: YOU KNOW. IT JUST AIN'T GOING TO HAPPEN [illegible] is going to be visible

CAVE: ((INTERPRETS FOR [redacted]

[redacted]

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~~TOP SECRET~~

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CAVE: HE SAYS YOU GUYS DON'T KNOW WHAT YOU'RE TALKING ABOUT HE SAYS, "T [redacted] JUST sold us SOME RADARS AND THEIR TECHNICIANS ARE IN TEHRAN NOW, WORKING ((few words missed.))

NORTH: I KNOW. BUT IT WASN'T DONE WITH THE AUTHORITY OF THE [redacted] GOV[redacted]

HAKIM: [redacted] [redacted]

C 10463

[redacted] [redacted]yes it was. how could it be that ((few words missed))

cave: [redacted]nterprets)) he says, "i don't want to say this, you know, [redacted] destroy what we're doing."

north: [redacted]

cave: wh[redacted]ame of the radar...?

north: [redacted]

[redacted] the [redacted] told us, "we will come with the cover story that we are installing the radars [redacted] to ((word missing)) the russians. of course, we will come and install them for you ?adjacent to? iraq. ((portion missed)).

cave: ((interprets)) ((inaudibl[redacted]

NORTH: yeah, but, again, the [redacted] GOVERNMENT IS NOT AN ACTIVE PARTICIPA THE [redacted] GOVERNMENT DI[redacted]...

CAVE: but the other thing ((few[redacted]s missed)) is the [redacted] know ((few words missed))

north: that's true

cave: and he says that their (([redacted]nder missed)).

north: that's true

secord: what did he say about the kuwaiti prisoners? he wasn't interested in what you had to say?

cave: he had no comment.

secord: he ought to have a comment

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north: ?that's why? i spent seven days trying to put[redacted]ing together

((during the above exchange between cave, se[redacted]orth, hakim and [redacted] were talking in the bac[redacted]und[redacted] cave continues talking quietly to north and [redacted]ord[redacted]st of what he says is inaudible.))

[redacted]

1 page
C 10464

DENIED IN
TOTAL

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NORTH [redacted]

[redacted]

CAVE

NORTH

CAVE

CAVE ((INTERPRETS. UNINTELLIGIBLE.))

C 10465

NORTH AND THE [redacted] WILL KNOW IF WE SEND TECHNICIANS IN--TECHNICAL EXPERTS. THEY'LL BECOME AWARE OF IT.

CAVE ((INTERPRETS FOR [redacted] MAKES ADDITIONAL COMMENTS TO [redacted] AND EXPLAINS TO NORTH W[illegible]HE HAS TOLD [redacted] ONLY SNATCHES OF WHICH WERE INTELLIGI[illegible]))

NORTH WHEN MCFARLANE WAS IN [illegible] and MY FRIEND [redacted] WAS THERE, MCFAR[illegible] KEPT SAYING THINGS LIKE: "LOOK, PUT THIS BEHIND [illegible] DON'T LIMIT YOURSELF TO THESE SMALL LITTLE THIN[illegible] THINK BIG. THINK BEYOND THE HOSTAGES. THINK ECONOMIC[illegible] THINK OF ALL KINDS OF WAYS IN WHICH WE CAN HE[illegible]OU, NOT JUST [redacted] PHOENIX MISSILES. that's nothin[illegible]hink big. anD THAT'S THE IMPORTANT THING TO DO. [illegible] WE CAN'T THINK BIG WHEN WE'VE GOT THAT STARING [illegible]

[redacted]

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hakim he wants to get to the last issue

cave he wants us to look into the ((word missed))

north i will, i will

((CHATTER ABOUT north NEEDING AN ASPIRIN, north [illegible] the room.))

SECORD TELL HIM THAT IF HE JUST GOES OUT TOMORROW [illegible] NEXT DAY AND GRABS THOSE THREE GUYS OUT OF LEBANON, WE [illegible] GO[illegible]K IN AND REBUILD HIS GODDAMN AIR FORCE. I BUILT [illegible]CE[illegible]L GO BACK IN AND BUILD IT AGAIN. THAT WAS MY BABY. [illegible] AIR FORCE--FOUR AND A HALF YEARS on it.

HAKIM ((INTERPRETS FOR [redacted]

SECORD YOU SEE THAT TAKES THE HEAT OFF THE PRESIDENT when you do that. WE CAN GO OUT HERE AND RECRUIT PEOPLE AND SAM CAN HELP US FIND SOME PEOPLE-- PEOPLE WHO HAVE RETIRED FROM THE MILITARY, PEOPLE WHO ARE IN INDUSTRY.

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HAKIM: ((INTERPRETS FOR [redacted]

SECCRD: WE'LL SAY THEY'RE SWISS OR SOMETHING, YOU KNOW, AND IT'S NOT A PROBLEM. BUT IT TAKES TIME

CAVE: ((IN[illegible]TS FOR [redacted])).

[illegible]LE CHATTER. north returns.))

[redacted]

cave: [illegible] i forgot about those. 22 chinooks that are embargoed ((few word missed)) already paid for ((few words missed)).

north: [illegible]t's [illegible] it's true.

second: [illegible]rect story, only i think it's only eight that are paid for: I GUARANTEE HIM THAT IF HE LETS US SEND A COUPLE OF LOGISTICS EXPERTS INTO THEIR DEPOT, WE'LL FIND A BILLION DOLLARS WORTH OF STUFF THEY DON'T KNOW THEY'VE GOT--IN TWO WEEKS.

C 10466

CAVE: ((INTERPRETS FOR [redacted]

north: save you a lot of money

SECCRD: we HAD the IRANIAN A[illegible]ORCE was THE MOST WELL-SUPPLIED AIR F THE WORLD HAS EVER SEEN [illegible] 1979.

north: better than ours

second: oh, much better. they [illegible] three years' of supply--combat rates-on every line item.

NORTH: HOW ARE YOU GOING TO FI[illegible]ARG ISLAND?

HAKIM: ((INTERPRETS FOR [redacted]

NORTH: HOW ARE YOU GOING TO PROVIDE HOUSES this winter?

[redacted]

HAKIM: HE SAYS THAT'S NOT AN ISSUE because THEY ARE NOT GOING TO PRODUCE MORE THAN TWO MILLION BARRELS A DAY.

north: why? OPEC?

[redacted]

hakim: ((interprets)) he says the experts know [illegible] (([illegible] words missed

NORTH: BUT THAT'S BECAUSE THERE HASN'T BEEN AN[illegible] [illegible]ATION done si THE WAR STARTED.

HAKIM: ((INTERPRETS FOR [redacted]

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[redacted]

HAKIM: EVEN THE SHAH COULD NOT PRODUCE MORE THAN FOUR MILLION ((FEW WOR

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MISSED)).

cave: ((few words missed)) produced five and a half million a day

north: yeah; but he's talking about for export--you're right. one and [redacted]ayed home and four went out.

secord: [redacted] was lifting five and a half million a day.

north: [redacted] true. four million for export and one and a half ...

hakim: [redacted] ((interprets))

[redacted]

hakin: [redacted]s)) ?but? seven and a half million breaks down to [redacted] words missed)).

SECORD: THE POINT IS THAT--AS I'VE BEEN TELLING THESE GUYS FOR OVER A YE NOW--A FEW WELL-PLACED TECHNICAL EXPERTS, IN WHATEVER FIELD ?THEY'RE? TALKING ABOUT, is WORTH MORE MONEY THAN THEY COULD EVER SPEND ((FEW WORDS MISSED)).

HAKIM: ((INTERPRETS FO[redacted]

north: you know, it is real i[redacted]nt to get these guys hot on getting ((few words mis[redacted]). it ought not to all fall to him. you know THERE [redacted]N IMPORTANT POINT ON THE TECHNICAL teams, AND TH[redacted]S: THAT ISSUE--IT'S JUST LIKE THE MCFARLANE Trip[redacted]HAT WILL BECOME PUBLIC.

HAKIM: ((INTERPRETS FO[redacted]

C 10467

secord: we told him that while [redacted]were out.

NORTH: WE WANT TO MAKE SURE TH[redacted]E CAN DO IT RIGHT. AND THAT IT'S NOT GOING TO COST ANYTHING to put these people over there--it won't cost you anything. but because of the RISK OF THAT BECOMING PUBLIC, WE CAN'T DO THAT while these other guys are still being held.

HAKIM: ((INTERPRETS FOR[redacted]).

NORTH: IT'S TIME FOR YOU GUYS TO TAKE A CHANCE.

????: I don't think ((few words missed)).

north: sure it is.

hakim: they just don't want to get their imam ([illegible] wor[illegible]ssed)) he could do ... just like that ((snaps fing[illegible] are too lazy--that's it. they just don't want [illegible]

north: it's a political risk.

cave: ((interprets for [redacted]

[redacted]

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hakim: ((to secord in persian)) mr. secord, when are you going to iran

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cave: ((in persian)) is it an official invitation?

secord: iran?

hakim: ((im persian)) when are you going?

[redacted]e sixth step.

hakim: [redacted]few wo[redacted]issed))

SECORD[redacted]((few words missed)) no, but WE HAVE THE GUY who... I'VE ALREADY RECRUITED THE GUY WHO[redacted]

HAKIM: [redacted]TERPR[redacted]R[redacted]

secord: [redacted]e just retired from the army.

((knock at door.))

north: whoa, whoa, whoa, whoa, whoa--who's that? who is that? [redacted]

((someone calls, "who is it?"))

secord: look through the hole. [redacted]

((hakim calls t[redacted]eaves room. chatter about a chinese restaur[redacted]))

secord: what's[redacted]doing here[redacted]

hakim: [redacted]asked him to come.

C 10468

secord: why?

HAKIM: gentelmen,[redacted]S RUNNING THE SHOW?

NORTH: WHO THE ((EXPLETIVE)) IS [redacted]

HAKIM: okay, i'm glad you asked. HIS LAST NAME IS[redacted] HE OWNS this SHIPPING COMPANY, HE'S THE ONLY GUY IN TOWN--IN TEHRAN--WHO CAN STILL PROVIDE WOMEN, WINE, AND DANCING AND OPIUM. HE PROVIDES MONEY ...

CAVE: ((UNINTELLIGIBLE.))

HAKIM: HE IS THERE NOW.

SECORD: WHERE IS THE BASTARD?

HAKIM: HE'S IN TEHRAN AND HE'S GOING TO[redacted]ll kinds of things for the iranian governm[redacted] AFRAID THAT HE'S BEING kicked OUT OF T[redacted]AL, AN[redacted] turns[redacted]against me, he turns[redacted]t the t[redacted] ... he does all kinds of things. he i[redacted]igger in th[redacted] ...

north: the woodpile.

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hakim: right.

north: ((missed))

cave: well there had to be one of those.

SECORD: [redacted] WHILE YOU WERE OUT OF THE ROOM THAT HE WAS [redacted]VE THE PROBLEM OF THE THREE HOSTAGES, [redacted]ght? h[redacted]d it again, BUT WE DON'T KNOW HOW.

NORTH: [redacted] DON'T CARE HOW RIGHT NOW.

SECORD [redacted] DON'T CARE HOW EITHER, EXCEPT I HAVE SOME DOUBT THAT HE WILL.

HAKIM: [redacted] CA[redacted]T. I KNOW THAT.

NORTH: [redacted] KNOW. YOU SAID IT YOURSELF. THE ONLY THING THAT WAS NECESSARY IS FOR THE IMAM TO MAKE VERY CLEAR TO PEOPLE...

HAKIM: AND the SITUATION IS ripe FOR THEM TO DO IT.

CAVE: what i don't understand is ((word missed)) [redacted] HAS TO ((few word missed)).

secord: I didn't know that they [redacted] ?saying? ...

?hakim? [redacted] is staying here?

north: NO. [redacted] going [redacted]

CAVE: [redacted] HOW'S HE GOI[redacted] DO IT FROM [redacted] HOW'S HE GOING get THOSE GUYS RELEASED[redacted]

hakim: he's supposed to have t[redacted]ddamn thing out. C 10469

secord: by friday?

hakim: pardon me?

secord: the day after tomorrow he's supposed to have them out?

hakim: ((word missed.)) he's supposed to also to have ((remainder of sentence missed)).

secord: ((missed))

north: i thought i had a copy of the original agr[redacted]rom tehran.

cave: there have been so many agreements ...

north: no no no, there was only one of those.

secord: yeah, but that was never an agreement.

cave: i remember that; i wish i would have [redacted]en the eng[redacted]h, then i could have translated, ?or [redacted] could have translated, into fa

north: i think she did a very good job, given it was both ((few words missed))

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hakim: ollie, if you got the three hostages back, how many shish would you be prepared to eat ((few words missed))?

north: i'd eat shish till the cows come home. i'm willing to go.

(([illegible]tter))

cave: [illegible] of shish! you know, there's a chinese restaurant [illegible]t loo[illegible]e a dive in frankfurt, and there's a sign ((few [illegible]ords mis[illegible] in farsi "ghazaye irani."

secord: [illegible]here, in frankfurt?

north: [illegible]at's gh[illegible] irani mean?

cave: [illegible]

secord: are [illegible] going to eat tonight, or are we just going to ...

north: i'm going to eat, i'm going to eat. you guys can sit around and ((expletive)) all you want. I am going to go eat.

cave: where are you going to go? ((few words missed)) chinese food.

north: i don't care what i eat[illegible] going to eat. i have not eaten yet today.

hakim: what in the hell was th[illegible]few words missed))?

north: that wasn't eating. th[illegible]s standing up on the ((word missed)) my idea ((few words mis[illegible].

cave: do you have an extra env[illegible]e?

north: do i have an extra enve[illegible] what do you want to put in it?

cave: ((few words missed)). [illegible]but? i've got to get back

C 10470

north: i've got photographs of T-72 tanks ...

((chatter in background))

north: hey guys, i've got to go home and tell the boss something. what do i tell him? no deal?

?hakim?: wh[illegible] are you talking about?

secord: no, no, no, no, no. we're getting our two [illegible] weekend. we're not ... I'd like to see us [illegible]t[illegible] though. the thing that befuddles me is I [illegible] UNDERSTAND WHY IT'S NOT EASIER FOR THEM TO [illegible]AB [illegible] THREE IN ONE STROKE.

NORTH: I DON'T EITHER.

HAKIM: BECAUSE, I THINK ... YOU WANT AN ANSWER?--BECAUSE they [illegible]'t have enough ... you see they do not want TO USE KHOMEINI. IF YOU put that aside--that they DON'T WANT TO USE THE BIG GUN.

north: wait a minute. khomeini ...

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hakim: if they use khomeini, they can do almost anything as far as the shia is concerned.

secord: if they send an order to the revolutionary guard to get them, th[illegible]

HAKIM: [illegible]OW WHERE THEY ARE. they know ((few words missed)).

CAVE: [illegible]EY KNOW [illegible]E THEY ARE.

HAKIM: [illegible]O. THEY KNOW WHO'S got THEM.

secord: [illegible]EY KNOW [illegible]E THEY ARE, TOO, i'll bet you. YOU THINK [illegible] B[illegible]N'T KNOW WHERE THEY ARE?

NORTH: [illegible]OCK OF CRAP; THEY KNOW EXACTLY WHERE THEY ARE.

HAKIM: in fact at ONE POINT THEY CFFERED TO give us... tell us where ?they are?.

NORTH: WELL, I'LL TAKE THAT deal right now.

SECCRD: why don't they GIVE US TWO AND THE LOCATION OF THE THIRD ONE?

NORTH: NO GIVE US THREE AND TH[illegible]CATION CF THE OTHER THREE.

hakim: ((laughs))

north: i mean really— THERE's [illegible] AMERICANS MISSING, gang. SIX.

SECCRD: i think YOU YOURSELF KN[illegible]AT THE PALESTINIANS ARE INVOLVED IN OF THIs action.

NORTH I THINK THAT THE LIBYANS [illegible] PROBABLY INVOLVED IN THE LAST THREE, BUT I DON'T KNOW [illegible]W WORDS MISSED.))

SECCRD: SO THEY MAY WELL BE TELLING THE TRUTH WHEN THEY SAY THAT THEY DON'T KNOW WHERE THEY ARE.

CAVE: THAT ONE GUY WAS AS NUTTY AS A FRUITCAKE.

NORTH: I GRANT YOU THAT. ANYBODY WOULD ((FEW WORDS MISSED.))

cave: but they're certainly involved in those oth[illegible]

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((few exchanges missed))

NORTH we THINK THAT THERE was a contract job do[illegible]

((end of minitape))

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C/IN 4525

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Chapter 14, Footnotes 166-167, 248

264-267

3 February 1987 C 312

MEMORANDUM FOR THE RECORD

SUBJECT: FRANKFURT TAPES

14-248

TO: Charles Allen
NIO Counterterrorism
CIA [redacted]

1. (TS NF) Accompanying this memo are the transcripts of tapes numbered A-11 through A-15 inclusive obtained during the 29-30 October 1986 meetings of U.S. and Iranian negotiators in Frankfurt.

2. (TS NF) There now remain just five tapes requiring transcription, those numbered A-16 through A-19, inclusive, plus one mini-cassette. Transcripts for these will be forwarded as completed.

[redacted]

[redacted]
Declassify On: Originating Agency's Determination Required

Partially Declassified/Released on 1/26/88
under provisions of E.O. 12356
by B. Reger, National Security Council

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C11D 0608

Ch. 14 #166-167

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((TAPE A11))

C 313

([redacted] AND ANOTHER PERSIAN, APPARENTLY [redacted] CONVERSING. ONLY ISOLATED WORDS AND PHRASES CAN BE UNDERSTOOD. HAKIM IS NOT PRESENT.))

((END TAPE A11))

((TAPE A12))

([redacted] AND ANOTHER PERSIAN, [redacted], CONVERSING. ONLY ISOLATED PORTIONS CAN BE UNDERSTOOD. CALL MADE TO HOTEL SWITCHBOARD TO FIND OUT WHETHER A TELEX HAD BEEN RECEIVED FROM TEHRAN. ANOTHER CALL ORDERING BREAKFAST FOR ROOM [redacted]. HAKIM ARRIVES. HAKIM MAKES A PHONE CALL. ASKS FOR A MR. SCHNEIDER. SCHNEIDER NOT AVAILABLE; HAKIM TALKS TO SOMEONE ELSE (THIS CALL IS ON THE "B" TAPES RECORDED DURING THESE MEETINGS.) LATER, PHONE RINGS AND [redacted] TALKS BRIEFLY TO SOMEONE IN PERSIAN. BREAKFAST ARRIVES.))

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((END TAPE A12))

((TAPE A13))

((CONTINUATION OF BREAKFAST CONVERSATION BETWEEN HAKIM, [redacted] AND [redacted]. TELEVISION ON. ONLY ISOLATED PORTIONS CAN BE UNDERSTOOD.))

((END TAPE A13))

((TAPE A14))

((TAPE BEGINS WITH PARTICIPANTS APPARENTLY GETTING READY FOR THEIR MEETING. SOMEONE OPENS THE WINDOW. VOICES IN THE DISTANCE, PROBABLY IN AN ADJOINING ROOM. SOUNDS LIKE THE MAID IS CLEANING UP THE ROOM. SOMEONE CHATS BRIEFLY WITH HER IN ENGLISH. [redacted] AND [redacted] CHAT. U.S. PARTICIPANTS BEGIN TO ARRIVE. THEN:))

SECORD: TWO THINGS WE WANT TO TALK ABOUT. WE WON'T SPEND MUCH TIME. BUT TWO THINGS ARE VERY IMPORTANT.

CAVE: ((INTERPRETS))

SECORD: ?HE/WE? SAID THAT IRAN, THE COUNTRY, IS NOW RUN LIKE SHAREHOLDING-DIFFERENT GROUPS SHARING POWER.

CAVE: ((INTERPRETS))

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SECORD: OUR GROUP., WHICH IS THE PRESIDENT AND HIS MEN, ARE VERY CONCERNED

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AS TO WHETHER OR NOT WE ARE INDEED DEALING WITH THE GOVERNMENT OF IRAN. THEY RECOGNIZE THAT THERE ARE DIFFERENT FACTIONS, YET THEY STILL QUESTION WHETHER WE'RE DEALING WITH THE TOP.

CAVE: ((INTERPRETS))

SECORD: THIS EXERCISE THAT WE'VE RUN THROUGH THE PAST SEVERAL WEEKS ABOUT GETTING THE MONEY INTO THE BANK, INTO OUR SYSTEM SO WE CAN GET THE TOWS, HAS BEEN WORSE THAN A ((WORD MISSING)). IT'S BEEN TERRIBLE, AND THE IMAGE CREATED BACK IN WASHINGTON IS WHAT WORRIES ME.

CAVE: ((INTERPRETS))

SECORD: JUST AS IN ANY BIG COUNTRY, THE PRESIDENT GETS INFORMATION FROM MANY OF HIS DEPARTMENTS--HIS INTELLIGENCE PEOPLE, INFORMATION PEOPLE, SENIOR ADVISORS. A NUMBER OF ADVISORS TO THE PRESIDENT THINK THAT WE'RE CRAZY--WE MUST BE CRAZY.

CAVE: ((INTERPRETS))

SECORD: SO MAYBE SAM AND I AND NORTH CAN UNDERSTAND SOME OF THIS BECAUSE WE LIVE WITH IT. BUT OTHERS CANNOT. IT JUST DOES NOT MAKE SENSE. IT'S NOT LOGICAL. I WANT TO MAKE THIS PROCESS A REASONABLE, LOGICAL PROCESS.

CAVE: ((INTERPRETS))

((PHONE RINGS. [redacted] TALKS WITH SOMEONE IN PERSIAN BRIEFLY ABOUT CLEARING UP THE PROBLEMS WITH THE ACCOUNT NUMBER.))

CAVE: ((PORTION INAUDIBLE)). THEY'VE GOT EVERYTHING MOVING. ((PORTION INAUDIBLE)).

SECORD: I GUESS THAT'S GOOD NEWS. THIS, OF COURSE, WOULD BE ONE VERY IMPORTANT STEP IN CREATING THE KIND OF SITUATION WE WANT TO CREATE WHICH IS ONE OF MUTUAL TRUST. IF WE CANNOT DEVELOP IN THE NEXT FEW WEEKS A CONDITION WHERE WASHINGTON AND TEHRAN HAVE AT LEAST SOME TRUST IN ONE ANOTHER, WE'LL FAIL.

CAVE: ((INTERPRETS))

SECORD: TILL WE PREPARE TO GO FORWARD, TILL WE GET READY TO MOVE FORWARD, YOU NEED TO GET THE MONEY FROM EUROPE HERE SOME PLACE, SO YOU HAVE YOUR HANDS ON IT, SO IT CAN BE RELEASED WITHIN A DAY OF THE TIME THAT WE AGREE TO TAKE ANOTHER STEP. WE NEED TO HAVE THE MONEY ALL RIGHT HERE WITHOUT ANY STRINGS ON IT SO WE DON'T HAVE TO GO THROUG THIS JOKE AGAIN.

CAVE: ((INTERPRETS))

SECORD: NOW, WHAT WE'RE CONCERNED WITH IS NOT THE MONEY ITSELF. BUT BACK HOME IN WASHINGTON PEOPLE SAY IF YOU ARE DEALING WITH THE IRANIAN GOVERNMENT, THEN THREE MILLION DOLLARS, ?FOUR MILLION?, IS NOTHING. YOU MUST NOT BE DEALING WITH THE GOVERNMENT.

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CAVE: ((INTERPRETS))

SECORD: THE NEXT POINT IS RELATED TO THIS POINT. AND THIS HAS TO DO WITH

C110 DLDS [redacted]

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C 315

CAVE: ((INTERPRETS))

SECORD: [redacted] IS A BIG SECURITY PROBLEM. YOU YOURSELF HAVE TOLD US THAT YOU WANT TO KEEP HIM IN ONE SMALL AREA.

CAVE: ((INTERPRETS))

SECORD: [redacted] IS A SECURITY PROBLEM OF BIG PROPORTIONS ON THE TELEPHONE. HE BELIEVES, FOR INSTANCE ON THE TELEPHONE. HE BELIEVES THAT HE HAS TO KNOW EVERYTHING. HE WAS VERY UPSET THAT WE DELIVERED THESE TOWS WITHOUT COORDINATING WITH HIM FIRST.

CAVE: ((INTERPRETS))

SECORD: HE TALKS ON THE TELEPHONE ALL THE TIME. [redacted] WATCHES HIM CAREFULLY. SAM CAN EXPLAIN MORE ON THIS.

CAVE: ((INTERPRETS))

SECORD: [redacted] TOLD ME SOME TIME AGO THAT HE DID NOT KNOW GHORBANIFAR. HE HAD HEARD OF HIM BUT DID NOT KNOW HIM. THAT IS FALSE. [redacted] HE HAS MET WITH GHORBANIFAR. WE KNOW THIS TO BE TRUE.

CAVE: ((INTERPRETS))

SECORD: WE DO NOT NEED ANOTHER GHORBANIFAR. WE WILL NOT ACCEPT ANOTHER GHORBANIFAR.

Incredible that Secord only inveighs against Ghorba

CAVE: ((INTERPRETS))

SECORD: WE HAVE NO OBJECTION TO BUSINESSMEN MAKING MONEY. THAT'S GOOD. WE DON'T CARE ABOUT THAT. IT'S NOT IMPORTANT TO US. WHAT'S IMPORTANT TO US IS SECURITY.

CAVE: ((INTERPRETS))

SECORD: NOW, I HAVE A SUGGESTION, BECAUSE WE DO NOT WISH TO CREATE PROBLEMS WE WANT TO GET OUR HOSTAGES OUT; WE DON'T WANT A LOT OF NOISE, A LOT OF TALK. SO WE'LL TALK WITH [redacted] HERE FOR THE NEXT FEW DAYS. BUT WHEN WE GET PAST THIS NEXT STEP, WE WANT TO SEE [redacted] OFF TO ONE SIDE.

CAVE: ((INTERPRETS))

SECORD: I WOULD LIKE TO HEAR HIS OPINION NOW. I HAVE NOTHING MORE TO SAY ON THAT. HAS HE FINISHED WHAT HE WAS GOING TO SAY? PERHAPS WE COULD HEAR HIS OPINION.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) ((INAUDIBLE))

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[redacted]

CAVE: ((INTERPRETS)) HE SAYS, ON THE QUESTION OF MONEY, HE SAYS, LOOK I JUST GOT INVOLVED IN THIS A FEW MONTHS AGO. AND I DON'T KNOW ((PORTION MISSED)) ABOUT THE FINANCIAL ((FEW WORDS MISSED)).

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C 316

HE SAYS, I DON'T KNOW ONE ((LARGE PORTION MISSED.)) TO TEHRAN, AND THEY ACCEPT THAT, THE FACT THAT THIS HAS BEEN A PROBLEM, AND THEY'LL WORK IT OUT.

[redacted]

CAVE: ((INTERPRETS)) HE SAYS WHAT THEY'VE BEEN TRYING TO DO IS TO SET UP AN ACCOUNT WHICH WOULD BE UNDER [redacted] CONTROL AND TO HAVE 40 MILLION DOLLARS IN IT SO THAT WE CAN, WHEN THEY GO ?THROUGH WITH THE TRANSACTION?, WE CAN ((FEW WORDS MISSED)).

[redacted]

CAVE: ((INTERPRETS)) HE SAYS ((THERE ARE)) SO MANY ((FEW WORDS MISSED)) THAT FROM THE TIME THEY START SOMETHING ((FEW WORDS MISSED)) ?IT TAKES? AT LEAST 8 OR 9 WORKING DAYS TO GET THROUGH ALL THE VARIOUS BANK ((FEW WORDS MISSED)) IN GETTING BACK TO THE BANK-E SADERAT.

SECORD: BUT THEY GIVE [redacted] MONEY, THEN THAT WILL RESOLVE ((FEW WORDS MISSED)). IT WON'T BE A PROBLEM.

CAVE: ((MISSED)).

[redacted]

CAVE: HE SAYS, "I WANT TO TALK TO YOU ABOUT THE PROBLEM OF [redacted] AND I WANT TO TALK TO YOU ABOUT THE PROBLEM OF [redacted], NOT ONLY [redacted] BUT IN THE CONTEXT OF ALL THE OTHER ?IRANIANS? THAT ARE INVOLVED IN THIS, BECAUSE ((PORTION MISSED)) A BAD SITUATION.

SECORD: IN OTHER WORDS, HE AGREES WITH ME.

[redacted]

CAVE: ((INTERPRETS)) ((INAUDIBLE))

((SEVERAL EXCHANGES INAUDIBLE)).

[redacted]

CAVE: ((INTERPRETS)) [redacted] HAS TOLD EVERYTHING ?HE KNOWS? TO ??[redacted]? ((PORTION MISSED)).

((QUALITY OF TAPE HAS DETERIORATED FURTHER. CAVE AND [redacted] ALMOST TOTALLY INAUDIBLE.))

CAVE: HE SAYS THAT ONE OF THE PROBLEMS THAT HE HAS WITH [redacted] IS THAT ((PORTION INAUDIBLE)) AND HE SAYS, "I HONESTLY DON'T KNOW HOW TO HANDLE IT."

SECORD: I HAVE A SOLUTION FOR THAT PROBLEM.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) ((INAUDIBLE))

[illegible] UNCLASSIFIED

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((END OF TAPE A14))

C 317

((TAPE A15))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS IF YOU'LD ((TWO WORDS MISSED)) FROM THE TIME HE LEFT AND WENT BACK THE LAST TIME, HE SAYS HE HAD TEN CALLS FROM [redacted] ASKING WHERE HIS MONEY WAS.

SECORD: MY SUGGESTION IS THAT WE SIMPLY TAKE [redacted] OUT OF THIS LOOP. HE WORKS FOR US. WE GOT HIM ENGAGED TO START WITH BECAUSE WE NEEDED SOMEONE THAT HAD CONTACT WITH [redacted] AND, THROUGH [redacted] WITH THIS GROUP.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS, ?TRYING ONLY TO SET? HIM ASIDE, THAT'S NOT REALLY THE MAJOR PROBLEM. THE PROBLEM IS THAT BECAUSE OF HIS BAD FINANCIAL SITUATION, ALL OF HIS PROPERTIES IN TEHRAN WERE ?SEQUESTERED? ((FEW WORDS MISSED)) SOMETHING'S GOT TO BE DONE TO HELP HIM OUT FINANCIALLY, AND HE IS NO POSITION TO DO IT BECAUSE ((FEW WORDS MISSED)) BACK HOME.

SECORD: THAT IS OUR RESPONSIBILITY; WE'LL TAKE CARE OF IT.

CAVE: ((INTERPRETS))

SECORD: IN THE FUTURE WE MAY BE ABLE TO FIND SOME WORK FOR HIM ON THE SIDE. MAYBE HE CAN LOOK AT SOME OF THE PEOPLE WE SELECT AS TECHNICIANS OR HELP WITH ADMINISTRATIVE THINGS. WE WILL NOT ((WORD MISSED)) HIM ON POLITICAL ((WORD MISSED)). BUT WE CAN PUT HIM ASIDE.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT YOU ARE ABSOLUTELY CORRECT WHEN YOU TALK ABOUT [redacted] BEING ((FEW WORDS MISSED)) AND BEFORE WE GOT INVOLVED WITH HIM, HE WAS INVOLVED IN THE [redacted] THING. WE DIDN'T [redacted] THAT, AND YOU KNOW THAT THE [redacted] WERE VERY INTER[redacted] IN HIM BECAUSE OF THIS, WHICH MAY BE ALSO HOW HE GOT TO [redacted] GHORBANIFAR

SECORD: POSSIBLY BECAUSE GHORBANIFAR WAS VERY CLOSE TO ((WORD MISSED)).

[redacted]

CAVE: ((INTERPRETS)) THEY KNOW NOTHING ABOUT HIS CONTACTS WITH GHORBANIFAR. HE HAS NEVER SAID ANYTHING TO THEM ABOUT IT. AND HE SAYS IF WE'VE GOT ANY EVIDENCE, THEY WOULD BE VERY INTERESTED IN HAVING IT BECAUSE THEY WOULD PURSUE IT ((FEW WORDS MISSED)).

SECORD: I THINK THE EVIDENCE WE GOT, [redacted] DID WE NOT?

CAVE: ((INTERPRETS))

~~TOP SECRET~~

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((SEVERAL EXCHANGES MISSED))

CAVE: ((INTERPRETS)) HE SAYS ALBERT IS TRYING TO PUSH THIS TOO FAST. AN HE'S AFRAID THAT IT MIGHT BE ?DISASTROUS? ((FEW WORDS MISSED)).

SECORD: WHAT IS HE TRYING TO PUSH TOO FAST, THE RELATIONSHIP OR THE HOSTAGES?

CAVE: BASICALLY THE WHOLE RELATIONSHIP. HE'S TRYING TO MAKE IT GO TOO FAST.

SECORD: BECAUSE WE HAVE PLACED ALBERT UNDER PRESSURE ON THE HOSTAGES. BECAUSE WE THINK THAT IF WE GET AT THEM QUICKLY....

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) ((PORTION MISSED)) HE SAYS, I CAN'T DO THIS. HE SAYS, ALBERT IS ((WORD MISSED)) THE ADVISOR, BUT I HAVE TO ((WORD MISSED)) TEHRAN, COORDINATE THIS WHOLE THING WITH THE VARIOUS GOVERNMENT ORGANIZATIONS ((PORTION MISSED)).

[redacted]

CAVE: ((INTERPRETS)) ((UNINTELLIGIBLE))

[redacted]

CAVE: ((INTERPRETS)) ((PORTION MISSED)) HE SAYS ALBERT IS ((WORD MISSED ?PROPOSING? THINGS THAT HAVEN'T BEEN DISCUSSED WITH US. AND HE SAYS HE DOESN'T ((FEW WORDS MISSED)).

[redacted]

CAVE: ((INTERPRETS)) ((UNINTELLIGIBLE)).

((EXCHANGE MISSED))

((PHONE RINGS)) SECORD TELLS PARTY "WE'LL BE FINISHED IN FIVE MINUTES. JUST WAIT RIGHT WHERE YOU ARE."

SECORD: NORTH WANTS TO TALK. LET'S FINISH THIS.

[redacted]

CAVE: ((INTERPRETS)) ((PORTION MISSED)). HE SAYS THIS THING HAS GOT TO BE DONE BY ((WORD MISSED)).

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[redacted]

CAVE: ((INTERPRETS)) HE SAYS, "WELL WHY DIDN'T THEY TELL ME THIS?" AND HE SAID, "WELL, THEY CAN'T OFFICIALLY TELL YOU THESE THINGS. BUT ?I CAN BE? UNOFFICIAL ((FEW WORDS MISSED)).

illegible

[redacted]

SECORD: THIS IS OUR FAULT, I SUPPOSE. AND IT'S A COMMUNICATIONS PROBLEM WHICH WE MUST SOLVE OR ALBERT, OR ANYBODY ELSE, WILL NOT BE ABLE TO DO OTHER THAN MAKE PHONE CALLS.

CAVE: ((INTERPRETS))

SECORD: IF [redacted] IS GOING TO BE THE EXECUTIVE IN CHARGE, AND IF WE CAN MEET WITH HIM FREQUENTLY HERE IN EUROPE, THAT WILL GO A LONG WAY TOWARDS SOLVING THE COMMUNICATIONS PROBLEM.

CAVE: ((INTERPRETS))

SECORD: AND, OF COURSE, THE SECURE COMMUNICATIONS...

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) WHAT HE'S SUGGESTING IS THAT BECAUSE THERE'S GOING TO BE AN AWFUL LOT OF TELEPHONING THE NEXT COUPLE OF DAYS, HE WOULD OF COURSE LIKE TO TAKE THAT THING BACK, BECAUSE THEY'VE ALREADY ?GOT? A COUPLE OF DEDICATED TELEPHONE LINES ((FEW WORDS MISSED)) THAT THEY CAN USE FOR ((FEW WORDS MISSED))

[redacted]

CAVE: ((INTERPRETS)) WHAT HE'S BRINGING UP IS HE SAYS THAT ANOTHER THIN THAT WOULD BE GOOD ((PORTION MISSED)) CHANGING THE SITUATION, BUT HE SAID, "WHAT WE REALIZE IS AFTER TALKING TO YOU IS THAT WE NEED TECHNICIANS. WE'VE GOT TO HAVE PEOPLE ((FEW WORDS MISSED))," AND HE SAID, "I'D LIKE TO MOVE AS FAST AS POSSIBLE ON THIS" ((FEW WOR MISSED)) HE CONTACTED YOU. HE SAID, "THAT'S WHY I SUGGESTED THAT SOMETIME NEXT YEAR YOU LET A TECHNICIAN IN, IT WOULD BE GREAT.

SECORD: FINE. LET US ... WE WILL TALK TO OUR PEOPLE ABOUT THIS TODAY AND COME BACK TO THAT SUBJECT LATER TODAY.

CAVE: ((INTERPRETS))

SECORD: THE GOOD SOLUTION, OF COURSE, TO THIS PROBLEM IS FOR THE COMMUNICATIONS STATION TO BE SET UP ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS))

SECORD: [redacted].. THAT'S THE REAL SOLUTION.

[redacted]

CAVE: ((INTERPRETS)) OK, WHAT HE'S SAYING IS THAT "YEAH, THAT'S FINE. AND AS SOON AS WE GET THE TWO HOSTAGES OUT, WE'LL GET THE ?PHONE CALL?." THE PROBLEM WE'RE GOING TO HAVE WITHIN THE NEXT FEW DAYS ...

SECORD: I UNDERSTAND THAT, I AGREE WITH THAT.

CAVE: THEY DON'T WANT ... IT'S TOO MUCH. THEY WOULD LIKE TO HAVE A SECURE WAY OF TALKING TO US.

SECORD: LET'S HE AND I WORK ON THIS PROBLEM.

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CAVE: ((INTERPRETS))

SECORD: NOW, ALBERT TOLD ME AT THE BEGINNING--HE TOLD ALL OF US--HE DID NOT WANT TO BE INVOLVED IN THESE POLITICAL DISCUSSIONS. HE SAID, "I'M A BUSINESSMAN, I DON'T WANT TO BE INVOLVED IN POLITICAL DISCUSSIONS." BECAUSE OF HIS LANGUAGE CAPABILITY AND BECAUSE OF HIS ASSOCIATION WITH ME--SAM CAN'T BE EVERYWHERE ALL THE TIME--WE HAVE HAD TO USE ALBERT. HE HAS NOT WANTED TO BE IN THIS ROLE, AND HE'S NOT COMFORTABLE IN THIS ROLE.

CAVE: ((INTERPRETS))

SECORD: AND HE WANTS TO BE FINISHED. NOW WE WILL GET SOME MORE PROFESSIONALS INVOLVED IN THIS AS WE GET THIS PROCESS ORGANIZED. WE'RE SO SHORT OF PEOPLE RIGHT NOW; IT'S TERRIBLE.

CAVE: ((INTERPRETS))

SECORD: AS SOON AS THE PRESIDENT TELLS US TO MOVE AHEAD, I'M SURE THAT SAM AND I CAN GET THE RIGHT PEOPLE INVOLVED IN THIS.

CAVE: ((INTERPRETS))

SECORD: AND NOW ?NORTH? NEEDS TO TALK ABOUT BEIRUT AND DAMASCUS. I'M NOT SURE ((FEW WORDS MISSED)).
((PHONE RINGS)) SECORD SAYS TO PARTY ON PHONE, "OKAY, I THINK WE'RE ON THE RIGHT ROAD NOW. BE RIGHT DOWN."

[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT ALBERT REALLY DOESN'T UNDERSTAND THE PROBLEMS ((FEW WORDS)) BACK IN TEHRAN, AND THAT'S PART OF THE PROBLEM.

((KNOCK ON THE DOOR))

?NORTH? ARE YOU FINISHED?

SECORD: JUST TWO MINUTES.

?NORTH? TWO MINUTES?

SECORD: YEAH. ((THEN, SPEAKING TO [redacted])) NOW, WE HAVE NOT SOLVED THAT PROBLEM. AND WE CAN COME BACK TO THIS LATER, BUT WE AGREE IT'S A PROBLEM. IS THAT CORRECT?

CAVE: ((INTERPRETS))

SECORD: SO WE AGREE? NOW NORTH WANTS TO TALK TO YOU ABOUT THE HOSTAGES AND HOW WE COORDINATE--YOUR GOVERNMENT AND OUR GOVERNMENT. I THINK THIS IS VERY IMPORTANT; I WOULD LIKE TO GO GET HIM. LET ME GO GET HIM.

CAVE: ((INTERPRETS))

((CAVE AND [redacted] CHAT IN PERSIAN. INAUDIBLE. NORTH ARRIVES

NORTH: GOOD MORNING.

CAVE: I'VE GOT A COUPLE OF THINGS TO SAY TO YOU.

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SECORD: BEFORE WE START?

CAVE: YEAH. - UNDER NO CIRCUMSTANCES DO THEY WANT ANY CREDIT FOR RELEAS THE HOSTAGES.

NORTH: NOTHING SAID ABOUT IRAN.

CAVE: NOTHING SAID ABOUT IRAN. THEY THINK THE BEST THING TO DO IS TUR THEM OVER TO THE SYRIANS, LET THEM RELEASE THEM, AND THEN SAY SOMETHING ABOUT HUMANITARIAN ((FEW WORDS MISSED)). CONSIDERING WHAT HAS HAPPENED ABOUT THE MCFARLANE VISIT, IF PRESIDENT REAGAN CAME OUT WITH A STATEMENT THANKING IRAN, IRAN WOULD CONTRIBUTE TC THE ((WORD MISSED)) CONDITIONS CREATED BY BRINGING OUT IN THE OPE THE MCFARLANE VISIT. ((FEW WORDS MISSED)).

SECORD: BUT IF THE PRESIDENT SIMPLY SAYS HE WISHES TO THANK THOSE FRIENDL GOVERNMENTS WHO HAVE CONTRIBUTED TO THIS ...

CAVE: HUMANITARIAN ((WORD MISSED)).

SECORD: JUST A GENERAL STATEMENT WITHOUT IDENTIFYING ((FEW WORDS MISSED))

CAVE: ((INTERPRETS))

SECORD: I THINK WE SHOULD JUST HOLD IT TO THIS GROUP HERE UNTIL WE GET THIS DOWN.

((PORTION INAUDIBLE.))

SECORD: ALBERT, WHAT WE'D LIKE TO DO IS JUST LET THE THREE OF US DEAL WIT THEM ON HOW WE'RE GOING TO COORDINATE THIS BEIRUT-DAMASCUS THING

((MUTTERING IN THE BACKGROUND; ALBERT LEAVES THE ROOM.))

CAVE: WHILE YOU WERE OUT, HE HAD A CALL FROM TEHRAN ABOUT THE ?HOSTAGES? AND THEY'VE BEEN ?TRYING TO? RELEASE ((ONE OR TWO WORDS MISSED)) BY SUNDAY AFTERNOON.

?NORTH?: ((WORD MISSED))

CAVE: DAMASCUS. THE OTHER THING HE'S SAYING IS THAT BECAUSE OF THE FACT THAT THEY'RE GOING TO HAVE TO BE ON THE TELEPHONE COORDINATING ?AL THIS?, AND THAT POSSIBLY ?THEY? WON'T HAVE A SECURE VOICE SYSTEM. ((PORTION MISSED)).

NORTH: MY INSTRUCTIONS ARE NOT TO TURN IT OVER UNTIL WE'VE GOT...

CAVE: WELL, WE DON'T HAVE ALL THE PARTS TO IT

NORTH: NO. WE GOT TWO SITTING UP IN..

CAVE: I DON'T GIVE THEM THE.. WE DON'T HAVE THE ((FEW WORDS MISSED)).

NORTH: IT'S IN GENEVA. WELL THEY CAN GET 'EM. ALL YOU HAVE TO DO IS, JUST ENTER THE CODES, BUT I HAVE TO GET THEM OUT OF GENEVA.

SECORD: WELL, [redacted]LIKE TO HAVE A CAUCUS WITH THE THREE OF US ON THIS

[redacted]

CAVE: [illegible] ((EXPLAINS TO [redacted] THAT THEY MAY NOT BE ABLE TO

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PHONE))

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[redacted]

CAVE: ((INTERPRETS)) WHAT HE WANTS TO KNOW NOW IS--EXPLAIN TO HIM HOW YOU WOULD LIKE TO HAVE THE HOSTAGES HANDLED, AND HE'LL SEE IF IT'S POSSIBLE FOR THEM TO DO IT THAT WAY.

[redacted]

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2 pages
C-323 to C-324

DENIED IN
TOTAL

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C 10434
Chapter 14
Footnote 250 250
251
276-277

((TAPE A17))

NORTH. SHALL I TAKE THEM ON THE SAME GUIDED TOUR THAT YOU GOT OF THE WHITE HOUSE?

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS IT WOULD BE A GOOD IDEA TO HAVE ((FEW WORDS MISSED)).

NORTH. ((MISSED))

CAVE: ((MISSED))

14-249 to 259

SECORD: NUMBER TWO TO SHULTZ.

CAVE: ((INTERPRETS))

[redacted]

CAVE. [redacted]

[redacted]

CAVE: ((INAUDIBLE))

[redacted]

CAVE WHAT'S THAT?

SECORD HE SAID "THIS IS ALL A JOKE.

CAVE. ((LAUGHS))

Partially Declassified/Released on 1/26/88 under provisions of E.O. 12356 by B. Reger, National Security Council

[redacted]

CAVE: [redacted]

NORTH. IS THAT RIGHT. HE'S A SMART MAN.

CAVE. [redacted]

SECORD THAT'S VERY DIFFICULT TO DO.

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[redacted]

CAVE: ((INTERPRETS)) ((FEW WORDS MISSED)) ALSO A MULLAH.

NORTH IS THAT RIGHT? HOW OLD IS HE?

CAVE ((INTERPRETS))

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[redacted]

CAVE. ((INTERPRETS)) AND HE IS A VERY CLOSE FRIEND OF HIS [redacted]

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CAVE: [redacted]

[redacted]

CAVE ((INTERPRETS)) [redacted] NOT ((FEW WORDS MISSED)).

SECORD: WHAT HAPPENS AFTER, UH .. LET US ASSUME THAT SUNDAY AFTERNOON WE DO ALL THIS COORDINATION AND THESE TWO PEOPLE ARE RELEASED AND UH, WHAT DOES HE ENVISION THE NEXT STEP IS? WHAT DO WE DO?

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE'S GOING TO GIVE YOU HIS PERSONAL OPINION

[redacted]

CAVE: ((INTERPRETS)) OK. WHAT HE'S THINKING OF IS, HE SAYS THIS. WHAT THEY WOULD LIKE--HERE'S WHAT HIS PROPOSAL IS AND HOW HE SEES IT. WE GO AHEAD WITH THE HAWK SPARES. THEY'LL PAY THE MONEY FOR THEM [illegible] SHIP THEM. I GUESS THE MEDICINE WILL BE ON THAT AS WELL.

NORTH: ((MISSED))

CAVE: ((MISSED))

NORTH: OH THAT'S RIGHT. THEY'RE ((FEW WORDS MISSED))

SECORD: THEY'LL GO WITH THE BOXES

[redacted]

CAVE: ((SENTENCE MISSED)) WHAT DID I JUST SAY

SECORD: YOU SAID THE NEXT STEP WOULD BE THE HAWKS.

NORTH: LET ME JUST ... PAY FOR HAWK SPARES IS THE FIRST STEP. SECOND

SECORD: SHIP THE HAWK SPARES.

NORTH: SHIP THE HAWK SPARES

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT THE MONEY IS ALREADY IN FRANKFURT.

SECORD: BUT HE SAID THAT [redacted] IS COMING [redacted] AND

CAVE: I'LL GET INTO THAT. AND WHAT HE SAYS THEY WOULD LIKE TO DO IS ((REMAINDER OF SENTENCE MISSED)). I TOLD HIM THAT IT'S GOING TO BE DIFFICULT TO GET SOMEONE ((FEW WORDS MISSED)). WHAT HE WANTS IS

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NORTH: WHAT WE DON'T KNOW ... I'VE BEEN ON THE PHONE HALF THE NIGHT ON TECHNICIANS, OK? I HAVE A TECHNICIAN LINED UP, BUT I AM TOLD THAT THEY ARE NOT ANXIOUS TO SHIP TECHNICIANS WHILE HOSTAGES ARE BEING HELD.

CAVE: ((INTERPRETS))

NORTH: THIS IS WHAT HE TOLD ME: HE SAID, "OK, IT WILL BECOME PUBLICLY KNOWN."

CAVE: ((INTERPRETS))

[redacted]

CAVE: I TOLD HIM; HE SAID: "NO I DON'T THINK ..." HE SAID HE DOESN'T THINK IT WOULD BECOME.

NORTH: [redacted] THAT'S WHERE IT'S GOING TO COME OUT.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT ONE THING YOU SHOULD KNOW ((FEW WORDS MISSED)) IS THAT THE ?CLEARANCES? HAVE ALL BEEN TAKEN OVER BY THE PASDARS. THEY'RE UNDER THEIR CONTROL.

NORTH: EVEN THE PILOT? HE'S THE ONLY ONE WHO WOULD HAVE IT? ((FEW WORDS MISSED))

CAVE: (IN PERSIAN) DO YOU HAVE A PILOT?

[redacted] (IN PERSIAN) YES.

NORTH: FOR THE F-14 S?

CAVE: (INTERPRETS)

[redacted]

CAVE: ((INTERPRETS)) HE SAYS ((FEW WORDS MISSED)) [redacted] AND HE WNOULD BE THE GUY THAT YOUR EXPERT WOULD BE IN CONTACT WITH.

[redacted]

CAVE: ((INTERPRETS)) HE SAYS DON'T WORRY ABOUT IT COMING OUT IN IRAN ((FEW WORDS MISSED)) MCFARLANE. ((LAUGHTER))

NORTH: FIVE MILLION COPIES OF HIS PICTURE? ((FEW WORDS MISSED)) IT IS NOT THAT WE DO NOT TRUST YOU OR YOUR PEOPLE--THAT'S NOT THE PROBLEM. THE PROBLEM IS THAT IT'S POLITICAL ON OUR SIDE IF IT BECOMES PUBLIC KNOWLEDGE AND THERE ARE STILL HOSTAGES BEING HELD.

CAVE: (INTERPRETS)

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[redacted]

CAVE C11N4523 ((INTERPRETS)) HE'S GIVING US ... HE SAYS LOOK, THIS ... TO DO

THIS ... IT WOULD BE AN IMPORTANT POLITICAL STEP TO DEMONSTRATE ((FEW WORDS MISSED)).

NORTH: ((WORD MISSED)) WE'VE GOT THE GUY ... I THINK SOMEBODY'S SIGNING THE CONTRACT WITH HIM RIGHT NOW--WELL NOT YET. IT'S ONLY SIX IN THE MORNING.

[redacted]

CAVE ((INTERPRETS)) HE SAYS WHAT HE'S ASKING IS THAT YOU GUYS GOT TO GO BACK TO WASHINGTON AND CONVINCE THE RESPONSIBLE OFFICIALS TO DO THIS ((FEW WORDS MISSED)).

NORTH THE GUY WE'VE GOT--I THINK--IS A FORMER MILITARY GUY. HE'S A FORMER NAVY GUY WHO NOW WORKS FOR ... HUGHES?

SECORD I THINK SO. LISTEN, WE CAN GO BACK AND TRY TO CONVINCE WASHINGTON OF A LOT OF THINGS, BUT AFTER SUNDAY WE WILL HAVE STILL AT LEAST ONE HOSTAGE THAT WE SCORE OR COUNT AGAINST IRAN--AT LEAST ONE. I THINK THAT IT'S HIGHLY UNLIKELY THAT WE WOULD BE ALLOWED TO SEND TECHNICIANS INTO IRAN, TO ISFAHAN, UNTIL WE GET THAT GUY OUT. SO WHY CAN'T WE DO SOMETHING TO GET THE GUY OUT? THAT'S WHAT I WANT TO TALK ABOUT.

CAVE. ((INTERPRETS))

[redacted] ((IN PERSIAN)) I'LL TRY TO RESOLVE THAT TOO.

SECORD SEE, IT'S VERY IRONIC. WHAT THEY'RE DOING IS HOLDING THEMSELVES HOSTAGE BECAUSE OF ONE GUY.

CAVE ((IN PERISAN)) IT'S A POLITICAL ISSUE. WE THINK WE CAN NAME SOMEBODY, BUT BEFORE WE SEND HIM, WE HAVE TO GET THE PRESIDENT'S PERMISSION.

[redacted]

CAVE ((INTERPRETS)) HE SAYS THAT THERE'S A KIND OF WAR OF NERVES. HE SAYS THAT ... FIRST HE SAYS LOOK, I ... YOU GUYS HAVE PROBLEMS ((FEW WORDS MISSED)), I MEAN I CAN'T GET INVOLVED IN THAT BECAUSE I DON'T UNDERSTAND YOUR PROBLEMS AND YOU'RE GOING TO HAVE TO WORK ON THEM YOURSELVES. ((FEW WORDS MISSED)) HE SAYS BUT ((FEW WORDS MISSED)) [redacted] ((FEW WORDS MISSED)) HAS BEEN TAKEN ON THE SUBJECT OF THE PHOENIX ((FEW WORDS MISSED)) THAT [illegible] WE ((FEW WORDS MISSED)), AND HE'S PUT AN AWFUL LOT OF PRESSURE ON [redacted] ON THE ISSUE OF THE PHOENIX, AND HE SAYS IT'S ALMOST BECOME LIKE A WAR OF NERVES BECAUSE [redacted] HAS ALSO TALKED TO HIM ABOUT THE PHOENIX, AND HE SAYS THAT ...

NORTH HE'S TALKED TO EVERYBODY ABOUT IT [redacted] TALKING PHOENIXES. EVERYBODY'S TALKING.

CAVE BUT HE SAYS THAT THIS IS ONE OF THE THINGS THAT HAS REALLY HE'S BEEN TAKEN WITH, AND THIS WAS ONE OF THE REASONS WHY HE BROUGHT IT UP, TO EXPLAIN ((ONE WORD MISSED)) HERE IS THE AMOUNT OF PROGRESS TO BE MADE IF WE WOULD SEND A TECHINICIAN AND JUST LOOK AT THE PHOENIX.

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SECORD: WE UNDERSTAND THAT.

[redacted]

CAVE ((INTERPRETS)) ((FEW WORDS MISSED)) HE ALREADY TOLD THEM. HE SAID, HEY, LOOK, THERE IS NO CHANCE THAT THE UNITED STATES IS GOING TO SEND PHOENIX MISSILES TO US?

?NORTH? TRUE.

[redacted]

CAVE ((INTERPRETS)) AND HE SAID ... HE ADDED ... HE SAID ONE OF THE REASONS THEY'RE SO HOT ON TRYING TO GET WORKING THE 70 SOME PHOENIXES THAT THEY'VE GOT, IS BECAUSE THEY KNOW THAT THEY CAN'T GET ANY MORE.

NORTH YOU KNOW THERE ARE STILL PEOPLE OUT TRYING TO BUY PHOENIXES. THEY OUGHT TO SAVE THEIR MONEY.

CAVE ((INTERPRETS))

NORTH A WASTE OF TIME AND MONEY.

[redacted]

CAVE ((INTERPRETS)) HE SAYS WE DON'T WANT ALL OUR WORKERS IN THE MINISTRY OF DEFENSE TO BE OUT OF WORK. ((LAUGHTER))

SECORD LOOK. HE'S STILL NOT BEING RESPONSIVE TO THE POINT. I MEAN WE UNDERSTAND THE PRESSURE ON THE PHOENIX. WE'VE UNDERSTOOD IT FOR A LONG TIME. BUT IT MAKES NO SENSE TO ME WHY THEY WOULD WANT TO HANG ON TO ... OR NOT GRAB THIS OTHER GUY-----. IF ANY WAY YOU WOULD----BECAUSE THAT PRESENTS A BIG, BIG PROBLEM FOR US. IT'S A BIG PROBLEM FOR THEM. WHY NOT JUST GET HIM THE HELL OUT OF THERE AND LET US ROLL?

CAVE ((INTERPRETS))

[redacted]

CAVE ((INTERPRETS)) HE SAYS WE DON'T CARE WHAT YOU SAY. HE'S GOING TO TELL THEM WHEN HE GETS BACK ((WORD MISSED)) THAT YOU PROMISED TO SEND HIM. [redacted] LAUGHS))

SECORD BUT HE'S STILL NOT TALKING ABOUT THE GOD DAMNED HOSTAGE THING. [redacted] I MEAN WE NEED TO GET TO THIS... WE NEED TO GET THIS OFF THE TABLE.

NORTH THAT IS IMPORTANT.

CAVE THAT IS IMPORTANT. ((IN PERSIAN ASKS [redacted] ABOUT THE STATUS OF THE OTHER HOSTAGE--THE ONE WHO WILL REMAIN AFTER TWO ARE RELEASED))

[redacted] ((ASKS CAVE THE TOTAL NUMBER OF HOSTAGES))

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CAVE THERE ARE SIX LEFT RIGHT NOW, RIGHT?

NORTH YEAH. TODAY. YOU WANT THEIR NAMES? SUTHERLAND, JACOBSEN,

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ANDERSON, CICIPPIO, REED, AND AUSTIN....UH, AUSTIN TRACY

[redacted]

CAVE ((INTERPRETS)) HE SAYS ((FEW WORDS MISSED)) IS THIS THE ONE THAT LARRY SPEAKES SAYS IS A BOOKSELLER? ((FEW WORDS MISSED))

NORTH: YEAH. HE'S ACTUALLY.

CAVE: HE ASKED ME, "HAVEN'T THE SYRIANS GOT SOMETHING TO DO WITH IT?"

NORTH: "I DON'T KNOW? IT'S PROBABLY THE LIBYANS.

CAVE: ((INTERPRETS))

NORTH: I TELL YOU, YOU GUYS JUST TELL US WHERE THEY ARE. [redacted]

[redacted]

CAVE: ((INTERPRETS))

[redacted]

CAVE: [redacted]

NORTH: . YOU ONCE OFFERED TO TELL US WHERE THEY WERE.

CAVE: ((INTERPRETS))

[redacted]

CAVE: [redacted] AND WE WOULD ((FEW WORDS MISSED)) DEFEND OUR TERRITORY ((FEW WORDS MISSED))." NOW, HE SAYS, "LOOK, I'LL TELL YOU WHAT I'LL DO. YOU SEND THAT TECHNICIAN TO HELP US WITH THE PHOENIXES. I WILL PERSONALLY GET THE THIRD GUY OUT, AND I COULD TELL YOU WHERE THE REST OF THE GUYS ARE. I WILL LEARN WHERE THEY ARE. I WILL FIND OUT WHERE THEY ARE...

SECORD: HE DOESN'T KNOW WHERE THEY ARE.

CAVE: NO. WHAT HE SAID ON THAT WAS HE SAID THAT WHEN WE DISCUSSED THIS BEFORE [redacted]. HE DOESN'T KNOW WHAT [redacted] HAS BEEN ABLE TO FIND OUT ((FEW WORDS MISSED)) BUT [redacted] WAS GIVEN THE ((MISSION)), YOU KNOW, LIKE WE TALKED BEFORE, OF FINDING OUT WHERE THE OTHER TWO GUYS ARE.

[redacted]

CAVE ((INTERPRETS))

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NORTH: HOW MANY [redacted]

CAVE: THEY'VE GOT [redacted] DON'T THEY--HOSTAGES?

NORTH: I'VE GOT IT DOWN. I THINK IT'S [redacted] I'LL GIVE YOU THE LIST.

CAVE: AND HE SAYS THAT HE'S CERTAIN THAT IF ANY PROGRESS CAN BE MADE ON THIS KUWAITI THING....

[redacted]

CAVE: [redacted]

NORTH

CAVE

[redacted]

CAVE

NORTH

SECORD

CAVE

SECORD

NORTH: LOOK, I'LL GET YOU A TECHNICIAN. ALRIGHT? I DON'T KNOW IF HE'S GOING TO BE THERE TUESDAY OR NOT. BUT, BY GOD, WE'RE GOING TO GET A TECHNICIAN. I THINK WHAT WE OUGHT TO DO IS THIS. WE OUGHT TO PLAN TO SEND A TECHNICIAN ALONG WITH THE HAWK PARTS.

CAVE: ((INTERPRETS, THEN IN ENGLISH)) I TOLD HIM WE MIGHT EVEN SEND TWO.

SECORD: TELL HIM I'LL MAKE HIM A DEAL. GIVE ME ONE OF HIS F-4'S. I'LL GO SHOOT DOWN SOME AIRPLANES. I'LL GET AT LEAST THREE ON THE FIRST DAY.

CAVE: ((INTERPRETS))

[redacted]

SECORD: WE'LL PUT [redacted] IN THE BACK SEAT.

CAVE: ((INTERPRETS))

[redacted] ((LAUGHS)) CJIN 4523 ~~TOP SECRET~~

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AVE ((INTERPRETS)) HE SAID IT WOULD BE A PITY IF YOU GOT KILLED.

ECCRD: HOW WOULD I GET KILLED BY AN IRAQI PILOT? IMPOSSIBLE.

ORTH: ALRIGHT. I'LL HOLD YOU AT YOUR WORD, BECAUSE I'M GOING TO PRODUCE THE TECHNICIANS.

ECCRD: YOU BETTER GET READY TO GO TO LEBANON.

AVE ((INTERPRETS))

[redacted]

DAVE ((INTERPRETS)) HE SAYS, AS OF THE TIME HE LEFT TEHRAN ... HE SAYS DON'T WORRY ABOUT THE ONE GUY, HE SAYS THAT HE'LL BE FREE. THE OTHER TWO ... HE SAID AS OF THE TIME.

NORTH: TWO?

DAVE: WELL, THERE ARE THREE. ... AS OF THE TIME HE LEFT TEHRAN ... WELL THEY WERE JUST LOOKING FOR TWO, YOU KNOW, BECAUSE THE OTHER GUY WAS TAKEN. HE SAID THERE WAS NO WORD ON PRECISELY WHERE THEY WERE.

SECORD: HE MEANT THEY MAY GET HARD TO FIND.

[redacted]

DAVE: ((INTERPRETS)) WHAT HE SAYS IS ((FEW WORDS MISSED)) ONE OF THE THINGS THAT'S ((FEW WORDS MISSED)) POLITICAL AND DEFENSE PROBLEM WHICH IS THE CONTINUED ATTACKS ON CITIES BY THE IRAQI AIR FORCE, AND ((YOU KNOW)), THEY FOCUSED ON THE PHOENIX AS THE ONE WAY THEY CAN DO SOMETHING ABOUT IT.

NORTH: WELL, YOU KNOW, WOULD YOU DO ME A FAVOR AGAIN? ((AGAIN TODAY?)) ((WORD MISSED)) RESERVATIONS. ((FEW WORDS)) ((LAUGHING)) BECAUSE I HAVE NO IDEA WHAT MY ((WORD MISSED)) FLIGHT PLAN IS.

SECORD: OK.

[redacted]

DAVE: ((INTERPRETS)) HE SAYS WHAT IS A GOOD IDEA ABOUT BRINGING THEM IN WITH THE HAWKS IS THAT THEY ((...)) THE PASDARAN CAN TAKE CONTROL OF THEM WHEN THEY ARRIVE IN BANDAR ABBAS ((FEW WORDS MISSED))

NORTH: HMM. WE NEED TO RESOLVE THE DISCREPANCY IN THE HAWK PARTS. DOES HE NOT WANT US TO SHIP 15?

DAVE: ((INTERPRETS))

[redacted]

DAVE: ((INTERPRETS)) ((... MISSED))

NORTH: WELL, HE'S ASKED FOR ANOTHER 100?

SECORD: WE DON'T KNOW. WE'RE WAITING TO HEAR FROM THEM.

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DAVE: ((IN PERSIAN)) HOW MANY MORE DO YOU NEED?

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[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT THEY'VE GOT PLENTY OF HAWK PARTS. HE SAYS THE ARMY'S GOT A SERIOUS PROBLEM. HE SAYS THE GUY IN THE MINISTRY OF DEFENSE CALLED HIM THE NIGHT BEFORE HE LEFT AND SAID, "I UNDERSTAND YOU GUYS GOT A LOT OF TOWS, AND WE NEED SOME.

SECORD: DOESN'T HE REPRESENT THE ARMY TOO?

[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT WHEN THEY GOT THOSE TOWS THAT [redacted] GOT, THEY ALL WENT TO THE REVOLUTIONARY GUARD CORPS.

SECORD: BUT THE QUESTION REMAINS, DO THEY WANT MORE TOWS OR NOT? IF SO THEY HAVE TO ORDER THEM.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HOW MANY WERE IN THE PROGRAM? THERE WAS ANOTHER 500, WASN'T THERE THAT WE WERE GOING TO SEND LATER?

NORTH: WE SAID WE'D SEND 500 WITH THE ((ONE WORD MISSED)). I DON'T THINK WE PLANNED ANY MORE, BUT WE HAVE.

SECORD: THE PLAN SAYS ANOTHER 500, WE COULD SEND MORE, IF WE'D GET THE HOSTAGES OUT. IT DEPENDS ON WHAT THEY ORDER.

NORTH: IF YOU GET THE HOSTAGES OUT, WE WILL SELL YOU A MILLION OF THEM. ALL YOU HAVE TO DO IS PAY FOR THEM. [illegible] IF YOU GUYS WOULD GET YOUR ACT TOGETHER, WE'D OPEN UP AN FMS ACCOUNT AND YOU'D GET A BETTER PRICE ON THEM.

CAVE: ((INTERPRETS))

NORTH: IF WE OPEN AN EMBASSY.

[redacted] ((OBVIOUSLY UNDERSTANDING WHAT NORTH SAID)) NO. ((LAUGHS))

SECORD: BUT IN THE IMMEDIATE FUTURE, THEY WANT [illegible]

[redacted]

CAVE: ((INTERPRETS)) IF YOU OPEN ((AN EMBASSY)) THERE, YOU'RE JUST GOING TO CREATE ANOTHER HOSTAGE CRISIS. ((GENERAL LAUGHTER))

SECORD: IN THE IMMEDIATE FUTURE, THEY'RE GOING TO HAVE TO TELL US. I MEAN THAT'S WHY WE HAVE TO GET TOGETHER. NOW HE SAID [redacted] WAS COMING [redacted]. WE NEVER GOT BACK TO THAT.

CAVE: YOU SAID TO MAKE THE ARRANGEMENTS FOR [redacted] TO COME OUT.

NORTH: WELL, DO YOU WANT TO BRING [redacted] INTO WASHINGTON?

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CAVE: ((INTERPRETS))

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[redacted] ((IN PERSIAN)) YES. THERE IS NO PROBLEM WITH THAT.

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CAVE: ((IN PERSIAN)) BUT FOR THAT SAME THING ((FEW WORDS MISSED)) WHAT DO YOU WANT ((FEW WORDS MISSED)) 500 MORE TOWS OR HAWK PARTS?

NORTH: WHY [illegible]T WE JUST BRING HIM TO WASHINGTON INSTEAD OF ((FEW WORDS MISS[illegible]

[redacted] ((ANSWERING CAVE'S LAST QUESTION)). NO. THE STIPULATED PROGRAM HAS TO BE CARRIED OUT. ((REMAINDER MISSED))

CAVE: ((APPARENTLY INTERPRETING THE LAST PART OF [redacted] COMMENT)) WHERE IS THAT NINE-POINT PROGRAM?

NORTH: DOWN IN MY ROOM. WANT ME TO GET IT?

CAVE: YEAH. AND IS THERE A PERSIAN COPY OF IT?

SECORD: WE GAVE HIM ONE, REMEMBER?

CAVE: WE DID?

SECORD: YEAH.

NORTH: I'M LOCKED OUT OF MY ROOM.

[redacted] ((MISSED))

SECORD: ((PORTION MISSED)) I COULD HAVE GONE 15 MINUTES AGO.

NORTH: WELL, YOU OUGHT TO GO.

SECORD: WHEN IS HE GOING BACK, TOMORROW?

CAVE: ((INTERPRETS))

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[redacted]

CAVE: ((INTERPRETS)) HE'S LEAVING TOMORROW AT TWO.

NORTH: WHY DON'T WE BREAK FOR A FEW MINUTES? [redacted]

SECORD:

CAVE:

[redacted]

CAVE:

SECORD:

NORTH:

SECORD:

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ORTH [redacted]

AVE

[redacted]

AVE

ORTH

ECORD YOU'RE EXACTLY RIGHT YOU'VE GOT THAT FIGURED OUT

ORTH I WANT TO GET BACK TO THE STATES I'VE GOT SO MUCH GODDAMN WORK

[redacted]

AVE ((INTERPRETER)) ANOTHER THING THAT YOU'VE GOT TO FOLLOW UP ON ((FEW WORDS MISSED))

ORTH ((FEW WORDS MISSED)) SADDAM HUSAIN?

AVE YEAH

ORTH ONE STEP AT A TIME MY FRIENDS OK? ((FEW WORDS MISSED))

AVE ((IN PERSIAN TO [redacted] DON'T WORRY ABOUT IT

[redacted]

AVE ((INTERPRETER)) WHAT THEY WANT TO KNOW IS SHOULD THEY MEET WITH [illegible] HIM OR NOT

ORTH ((ONE OR TWO WORDS MISSED)) YES

AVE ((IN PERSIAN)) YES, MEET WITH HIM NO PROBLEM

ORTH AND TELL HIM JUST THE SAME THING THAT WE'RE SAYING

AVE ((IN PERSIAN)) DON'T YOU WANT SADDAM TO LEAVE ((POWER))?

[redacted] OF COURSE BUT WE DON'T WANT TO ((FEW WORDS MISSED)) WITH THE ARABS ((FEW WORDS MISSED))

SECORD IF THE RELATIONSHIP GOES FORWARD LIKE WE ARE TALKING ABOUT--IF

[redacted] ((MISSED))

SECORD IF IT GOES FORWARD

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[redacted]

AVE ((INTERPRETER)) ((TWO WORDS MISSED)) ONE OF THE GUYS THAT THEY WERE SUGGESTING TO TALK GO TALK TO ((WORD MISSED)) WOULD BE

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CAVE YEAH, AND HE SAYS ((FEW WORDS MISSED)) A VERY VERY SERIOUS PERSON.

NORTH HE [redacted]

SECORD HE'[redacted]

NORTH A VERY SERIOUS PERSON WHO'S GOT OIL ON HIS MIND.

SECORD NO, HE'S OK. HE'S ((FEW WORDS MISSED)). YOU KNOW HIM PERSONALLY, RIGHT?

[redacted]

CAVE ((INTERPRETS)) ((MISSED))

SECORD [redacted] IF THIS THING GOES WELL AND WE GET OUR PEOPLE BACK, WE'LL ((EMPHASIS ON "WE'LL")) TALK [redacted] YOU TALK WITH THEM. WE'LL TALK TO THEM. ((FEW WORDS MISSED))

CAVE ((INTERPRETS))

SECORD IT'S GOING TO TAKE A LOT OF TALK. A LOT OF TALK.

CAVE DO YOU WANT TO TAKE A BREAK NOW?

NORTH YEAH. I'VE GOT TO MAKE SOME ARRANGEMENTS.

SECORD WE HAVE TO DO SOME PHONE CALLS.

NORTH MAYBE HE CAN CALL BACK HOME AND FIND OUT [redacted]-THE PROPOSAL ON WHEN AND WHERE.

CAVE ((INTERPRETS))

[redacted]

CAVE ((INTERPRETS)) HE SAYS THEY'RE GOING TO CALL HIM BECAUSE ((FEW WORDS MISSED)).

NORTH OK. WE'LL BE BACK. [redacted]

[redacted]

CAVE ONE OF THE THINGS WE MIGHT BE ABLE TO DO ON THIS OTHER THING IS GET TAPED ...

NORTH GET TAPED WHAT?

CAVE ((MISSED))

NORTH ON WHICH SHIPMENT?

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CAVE ((FEW WORDS MISSED)) ON THE NEXT ((FEW WORDS MISSED))

SECORD ((FEW WORDS MISSED)) GET THE HAWK PARTS AND GET THE MONEY. HE SAYS THE MONEY'S HERE.

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NORTH THAT'S FINE, ALTHOUGH I DON'T THINK HE'S GOING TO NEED QUITE AS MUCH AS HE SAYS, BECAUSE WITHOUT PART 15A IT'S CONSIDERABLY

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CHEAPER.

[redacted]: CANCEL 156.

NORTH: I'LL [illegible]T BACK. ((LEAVES THE ROOM.))

CAVE: ((IN PERSIAN)) 156--THE FACTORIES DON'T MAKE THAT ANYMORE. ((FEW WORDS MISSED))

[redacted]: CANCEL IT.

CAVE: ((IN PERSIAN)) ((FEW WORDS MISSED.)) IT'S VERY EXPENSIVE. EACH ONE OF THEM IS ABOUT $65,000 AND MORE, MUCH MORE.

CAVE: ((INTERPRETS))

[redacted] WE DON'T WANT IT. ((FEW WORDS MISSED)) WE DON'T NEED IT. WE WANT THE ?WIRE? THAT ATTACHES TO THE HAWK. ITS PRICE IS 8 ((OR 38)) RIALS.

CAVE: ((LAUGHS))

[redacted] ((MISSED))

((CAVE CALLS ROOM [illegible] AND [redacted] SPEAKS BRIEFLY ON THE PHONE IN PERSIAN. CAVE AND [redacted] SPEAK QUIETLY. INAUDIBLE.))

((END TAPE A17))

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4454

((minitape))

cave: [redacted] says they've got it, but it's not in bandar abbas.

second: it's not? when we talked last, my understanding was they had it in a shelter at bandar abbas. where is it?

cave: ran.

second:

[redacted]

cave: ((interpreting)) they can bring it in about a day and a half.

second: okay

[redacted] as soon as we staRT, be[redacted] ((few words missed))

second: do they have a transpo move it

cave: he says they don't want army to know that they're giving ((few words missed)).

second: so ((few words missed)) they will cover us?

[redacted]

cave: ((interprets)) oh, yes t he says is that the best way to do this is that we'll have the t-72 get there roughly the same time as the ship.

second: he has to give me the time, and i will adjust accordingly he must also give me instructions

cave: ((interprets))

[redacted]

cave: he doesn't want . he says that the agreeme[redacted]t just a regular, uh, you know, commercial ((word

second: whatever he wants if they have the...

cave: ((interprets))

second: the reason why i said navy was that i the navy the cranes. i suppose they do ..

((interprets))

what did i tell you that it weighs? 46,000?

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C 10452

north: forty. it weighs 42 tons

second forty-four tons, ?in fact?

north: forty-two tons. maybe with a full combat load it's 44 tons

second [redacted] 44 or 45 tons.

north: [redacted]ah, b[redacted] they have a 100 thousand pound crane at baNDAR [redacted]bbas an[redacted]e?

second [redacted] i don't know.

north: [redacted]ell, i[redacted] don't, it's never going to get on the ship

second: [redacted] do in the navy.

cave: ((asks [redacted] whether or not a suitable crane exists at bandar abbas. [redacted] says that the revolutionary guards has placed one there.))

cave: he says that they have one that they unload ((few words missed

north. if it unloads 'em, it will load 'em.

[redacted]

cave ((interprets)). he say[redacted] the pasdars have their own pier.

((phone rings [redacted] apparently giving a room number, sa "515," and hangs up.))

second sam, would you ask hi[redacted] they would be so kind as to put a full load of the big[redacted] ammunition in the tank. whatever it is, 30, 40, 50 roun[redacted]hatever

cave ((interprets)) ((while cave interprets, the following exchange takes place between north and second.))

north ?why don't we ask him? if he wants to get rid of an mi-24 or an mi-?21?, which we don't have to ((few words missed))

second: it would be nice to have though.

north. no. well we've got ((few words missed))

second. we've got plenty of that kind of ammo?

north: i mean that's not as important as...

second. well, they may not have it either

north it would be good to have a sample of

second ((asks cave)) do they have it?

[redacted]

cave ((interprets)) they have . there's a guy named [redacted] the f b i confiscated twenty million dollars ((to [redacted] n

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persian:)) When was this?

[redacted]

C 10453

cave: ((interprets)) he says about a year and a half ago.

[redacted]

cave: ((inter[illegible])) yeah, this was another ...

north: ... sting, or was this ...

cave: I don't [illegible] if it was a sting or not. But [redacted] is well kr and he [illegible] them that the twenty million dollars ((few words [illegible]w missiles ((two words missed)).

north: [illegible] only guy who can get tow missiles.

second: yeah, but he's got ((word missed)). He's asked ... he wants their money back.

cave. what they want to know is about the money.

north: i don't know, i'll check ...

[redacted]

cave: ((interprets)) he sa[illegible]at they even won a court case ?on th money in the united s[illegible]. and the f b. was ordered the f b i. was ordered by [illegible] court to turn over the money, and th haven't yet.

north: why don't you get for [illegible]. you get for me the facts for our next meeting, and i wi[illegible]o and find out what i can.

cave: ((interprets))

second: ((interrupting)) name of attorneys. That's a lot of money.

north: you get for me the facts on what happened--the names of the attorneys, the dates. bring that to the next meeting when we give you the communications equipment ...

cave: ((interprets))

north: ... and i will take the information you [illegible] and find out what happened, and then call you on that [illegible]ations and te you what the answer is.

cave: ((interprets))

((knock at door.))

second: tell him the name of the ship is ria-[illegible]-a.

north: do we have the ship's callsign?

second: that is the ship's callsign--ria.

[redacted] apparently starts to leave the room.))

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C 10454

second   don't be gone long. we've got work to do. Tell [redacted]

((recording is interrupted at this point. when recording is resumed, the conversation transcribed below was in progress. It should be noted that this conversation was [illegible]ilable on portions of other tapes produced from anothe [illegible] device. (Portions of tape #7 and #8, transcriptions [illegible] re provided earlier.) The quality of this recordin [illegible]owever [illegible] considerably superior to the other tapes, and this transcri[illegible]on contains a number of major revisions and additio of material which could not be recovered from the earlier tapes.))

hakim   ......w[illegible] to raise a few issues ((few words missed)) som [illegible] the[illegible] are going to raise serious objections, but his [illegible]s to discuss it and try to remove the ((word missed

[redacted]

HAKIM: ((INTERPRETS)) the deduction, BACK IN TEHRAN... HE JUST .. HE'S SAYING HE'S PASSING ON WHAT THE PEOPLE SAY THERE. THEY CONSIDER that your seven POINTS AS THE OFFICIAL POSITION OF THE U.S. THE NINE POINTS HE REFERRED TO AS THE AGREEMENT BETWEEN [redacted] and ?I?. AND EXAMINING THE SEVEN POINTS, THEY CO[illegible] THE CONCLUSION THAT THE U.S. IS VERY CAREFUL AND [illegible]ul--HE REFERRED TO that EARLIER--IN TAKING THE ST[illegible] TOWARDS NORMALIZING RELATIONSHIPS. AND HE HAS[illegible]NDED OUR POSITION BY PASSING ON TO THEM THE PO[illegible]N OF THE U.S. THROUGH THE WORDS OF GENERAL SECORD, [illegible] WERE THAT THE BOTTOM LINE IS THAT WE WENT THROUGH A[illegible] OF SONG AND DANCE WITH ?YOU?, AND YOU RELEASED T[illegible]IESTS FOR US AND THEN YOU TURN AROUND AND got two O[illegible] GUYS. THAT'S THE BOTTOM LINE. HE SAYS, "I HAVE PA[illegible] THIS ON to them."

[redacted]

HAKIM   ((INTERPRETS)) AS SOMEONE WHO'S INTERESTED IN SEEING THESE THING TAKE PLACE, I'D LIKE TO TELL YOU THAT THERE ARE a few STEPS, SEPAR FROM THE STEPS THAT WE ALREADY DISCUSSED. ?((THEY))? WILL SOLVE M OF THE PROBLEMS. One is the issue of the prisoners in Kuwait--the Da'wa.

[redacted]

hakim   ((interprets)) The other one is the [redacted] cameras for th [redacted] iran needs them "desperately."

secord   That's a new one, isn't it?

hakim   yes. it's new and not new because [redacted] br[illegible]

[redacted]

hakim   ((interprets)) he says the other one i[illegible] spare parts. ((few words missed)). there are [redacted] phoenix missiles that are not operational.

cave   there are [redacted]

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hakim [redacted] and by the way, [redacted] has given me the list of spare parts and in his opinion, this is a move that can resolve the question of all the hostages because hashemi-rafsanjani is interested personally in this.

[redacted]

hakim: [illegible] he has told him a few times.

C 10455

secor[illegible]'s interested in what--the [redacted] missiles?

hakim: [illegible]e spare parts and repairing ((word missed)).

[redacted]

hakim: [illegible]) upon the release of the two ... immediately foll th[illegible] words missed)) to go to work ((two words missed)) phoenixes and bring some of the ?parts? with them. ((few words missed.)) The 1500 tows ... they do not necessarily have to have them right away because they have now enough to operate.

secord: ((few words missed.)) Does he have some other points? because I have a lot of questions--unless you want to discuss them now.

hakim: ((interprets))

secord: on phoenix missiles, if y[illegible]ave [redacted] phoenix missiles at isfahan, guess is that you don't n[illegible]ny spare parts--or you may only nee a few spare parts--and yo[illegible]ghtly point out what you need is one or two technicians, proba[illegible]t lease two technicians for differe functions within ...

cave: do they have the calibrat[illegible]equipment?

secord: they did have. i put it [illegible]here.

cave: that's what i wanted to ask you ((few words missed))

secord: they had the hawk missile building and test equipment. we all p it. i don't know if it's still there. not hawk, but phoenix. i've got hawks on the brain.

[redacted]

((round of exchanges missed.))

hakim: ((interprets)) he says all the calibration [illegible] is there.

north: does it work?

hakim: ((interprets))

[redacted]

secord: he doesn't know

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hakim: ((interprets)) he says the air force has told him they are ther but

SECORD THEY HAVE A LIST OF SPARE PARTS FROM THE AIR FORCE, BUT I DON'T

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TRUST THE AIR FORCE. BECAUSE WE WERE JUST STARTING TO TRAIN THE HOMAFARS IN THIS FIELD. AND NONE OF THEM WERE any THEY WERE NC ((two words missed)) YOU KNOW. THEY WERE NOT REAL PROFICIENT NONE OF THEM WERE.

HAKIM: ((INTERPRETS FOR [redacted]).

C 10456

SECORD: [illegible] MY GUESS IS THAT YOU HAVE BIG PROBLEMS IN THE FIRE CONTROL S[illegible]--THE AWG-9 FIRE CONTROL SYSTEM--radar and fire control on [illegible] airplane.

HAKIM: ((INTERPRETS FOR [redacted]).

SECORD: [illegible] then, [illegible]urse, you UNDOUBTEDLY have PROBLEMS WITH THE [illegible]SILES [illegible]LVES. BECAUSE THEY require a lot of care. [illegible] said you need at least two technicians. [illegible] are different kinds of ((word missed)) they [illegible]bly need six. I HAVE NOT SEEN THE LIST OF SPARE PARTS YOU TALK ABOUT. BUT I WOULD NOT... I DON'T IMAGINE IT'S A VERY GOOD LIST is what i'm trying to say. i could look at it, but it wouldn't mean anything to me. i WOULD NOT BE INCLINED TO SAY IT'S A VALID LIST UNTIL EXPERT TECHNICIANS LOOK AT ((word missed)).

HAKIM: ((INTERPRETS FOR [redacted]

[redacted]) ((MISSED))

hakim: ((interprets)) he says w[illegible]n't you get your expert ((few words missed)) tuesday.

secord: but i must ((few words mi[illegible])) to leave before tuesday. this is big problem for us. we w[illegible] have to do some organizing. I ALSO BELIEVE THAT THERE ARE A [illegible] OF SPARE PARTS IN THE DEPOT AT ISFAHAN AND IN DOSHANTAPE[illegible]t in doshantapah but in what's the name of that place ne[illegible] doshantapeh? the air force logist uh there's a special [illegible] for it . but anyway, between THESE TWO SITES, THESE TWO DEPOTS, I AM CERTAIN THAT THERE ARE MA MANY SPARE PARTS WHICH THEY CAN NOT IDENTIFY BECAUSE their automa logistics systems just shut down.

HAKIM: ((INTERPRETS FOR [redacted]).

SECORD: AND THEN FINALLY I WOULD SAY THAT IF YOU HAD [redacted] MISSLES, GOOD TECHNICIANS COULD CANNIBALIZE AND MAKE OPERAT[illegible] SOME MISSILES VERY QUICKLY--IF YOU HAD GOOD TECHNICIANS

HAKIM: ((INTERPRETS FOR [redacted]

?north?: ((missed))

secord: at minimum ((few words missed)) there a[illegible]ferent M O S 's involved in this area. i don't [illegible] words missed)). they're great missiles, but th[illegible] compl[illegible]ed

cave: ((missed))

secord: well we'd have to go to hughes, i think, and find some volunt ((few words missed)). well, i'm coming to my bottom line now

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north: ?where's? the answer?

secord: there isn't any easy answer.

north: sure there is.

secord: what [illegible] it?

north: get them all back and ... the big problem, dick, is that anything between now and the ((few words missed)).

secord: that's what i'm coming to. WHAT I'M TRYING TO SAY TO [redacted] IS THAT THIS IS NOT A SIMPLE PROBLEM THAT CAN BE FIXED OVERNIGHT. IT'S GOING TO TAKE A LITTLE BIT OF time.

cava: would[illegible] be better to bring them out?

secord: it might be.

north: bring what out? the missiles?

secord: it might be better to bring some out, but ...

north: yeah, but then you can't ((word missed)) ... we've got to bring the airplanes out too, ?calibrated on the bird?.

secord: i'm saying it's not a simple problem, and the white house is goin to have to authorize us to send in some technicians, and then we' got to go through these steps before we do it.

HAKIM: ((INTERPRETS FOR [redacted]

SECORD: ((PORTION MISSED)) it's TECH SUPPORT for HAWKS we were TALKING ABOUT, but you KNOW, I'M SURE THE PRESIDENT WOULD AUTHORIZE US TO with them IF WE GOT OUR THREE PEOPLE. But we're going to have to OUR THREE PEOPLE. Right or wrong?

NORTH: YEAH, THAT'S EXACTLY THE PROBLEM.

SECORD: TO PUT IT ANOTHER WAY, [redacted] YOU GIVE ME THE THREE PEOPLE TOMORROW AND BY NEXT WEEK WE'LL PROBABLY HAVE SOME PEOPLE IDENTIFIED to do this work.

HAKIM: ((INTERPRETS FO[redacted]). ((THEN hakim and north speak a few sentences which cannot be heard.))

hakim: our agreement is to send ... step six ... ?more? hawk ... ((few words missed)). they want to change ((two words missed)). follo

north: well yeah, but step five above that ...

hakim: it has nothing to do with ?phoenix?. ((sentence missed)) they ar making a change—step six is the hawk. they want to have phoenix but then we change our position—we send also technicians who can do that, and then ... but we want three. follow me?

SECORD: well you're SAYING THE SAME THING I JUST SAID, WHICH IS I THINK THE PRESIDENT WILL AUTHORIZE US to DO SOME TECHNICAL WORK—WE'VE ALWAYS TALKED ABOUT THIS, IF WE GET OUR THREE PEOPLE BACK. THAT'S WHY I SAID, "you GIVE ME

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THE THREE PEOPLE TOMORROW. AND I'LL BET YOU HE'LL SAY okay go get SOME TECHNICIANS next week.

C 10458

hakim: is it okay if i say it the way i said it? he would understand it better.

NORTH: T[illegible]EM I'VE GOT IS THE WHOLE DAMN appearance of [illegible] ... bodies. I MEAN, IF WE'RE REALLY [illegible]CERE A[illegible] THIS WHOLE FRIGGIN THING, WHAT WE OUGHT TO [illegible] DOING IS, [illegible]EY OUGHT TO BE EXERCIZING EVERY POSSIBLE [illegible]OUNT OF LEVERAGE THEY'VE GOT TO GET THOSE PEOPLE OUT, [illegible]D WE AGREE THAT AS SOON AS THEY'RE OUT, WE CAN DO ALL [illegible]NDS OF GOOD THINGS, BECAUSE THAT'S WHERE WE'RE [illegible]ading?. [illegible] will have? A FRIGGIN FMS CONTACT ?team? [illegible] THERE[illegible]T WE'RE TRYING TO DO IS TO close the bridge [illegible]HIS SECRET SHIT, AND GET ON WITH THE REAL RE[illegible].

HAKIM: ((INTERPRETS FOR [redacted]

NORTH: YOU KNOW, WHEN WE WERE IN TEHRAN, okay, FOULED UP THOUGH IT MAY HAVE BEEN, IF YOU LOOK AT THE DOCUMENT THAT I WROTE AND MCFARL WAS PREPARED TO SIGN, YOU WILL SEE THAT THAT'S WHAT WE WERE TALKI ABOUT WAY BACK THEN, WAY BACK IN MAY--is to get BEYOND THE HOSTAGES and GET ON [illegible] FORMAL RELATIONSHIP

HAKIM ((INTERPRETS FOR [redacted]

NORTH EVERYTHING WE HAVE DONE [illegible] THE VERY FIRST CONTACT, WHETHER IT STEP BY STEP OR WHETHER [illegible] ALL AT ONCE, THAT'S WHERE WE'VE BEE TRYING TO GO.

HAKIM: ((INTERPRETS FOR [redacted]

NORTH YOU GUYS DON'T TRUST US, [illegible]WE DON'T TRUST YOU, AND SO WE END UP DOING IT A LITTLE BIT AT [illegible]ME, and it takes forever

HAKIM ((INTERPRETS FOR [redacted]

cave: ((to [redacted] in persian)) when i wrote this ((word missed)) we ?agreed? with regard to technicians for the hawk missile fine now, it is our opinion that there will be no problem with regard to technicians for the phoenix. but this is a new thing

[redacted] no. ((inaudible.))

cave: no. there was no problem.

[redacted] ((talks for about a minute. inaudible

?cave? ((inaudible))

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?second? money?

?cave? ((portion missed)) . have got four million

?second? millions of dollars.

hakim: i happen to be the agent who ?sold them? ((few words missed))

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?nobody asks?.

?north? how much were they?

hakim: uh c.-.. chicago ?area? industries.....c.a. ((then starts to tal[illegible]ian to [redacted] north interrupts))

north: [illegible]any. it is!

C 10459

((seco[illegible]d hakim talking at the same time.))

hakim: [illegible]l. at that time, it was about....close to two million dollars [illegible]ew words missed))

secord: [illegible] ABOUT THE LONG FOCAL length camera.

hakim: rig[illegible]

secord: that's NOT WHAT'S HE'S TALKING ABOUT.

NORTH: but SEE, YOU DON'T KNOW UNTIL YOU ACTUALLY GO OUT THERE AND ((FEW WORDS MISSED)).

SECORD: IS HE TALKING ABOUT THE INTEGRAL SYSTEM--THE SYSTEM IN THE NOSE C
THE AIRPLANE?

HAKIM ((asks [redacted] what sys[illegible]e is talking about. [redacted] does
know. cave asks if he is[illegible]ing about "oblique." north interrupts.))

NORTH WE CAN GO JUMP THROUGH OU[illegible] AND GET YOU A camera THAT WILL COS
A MILLION DOLLARS, OR WHA[illegible], AND IT WILL TURN OUT TO BE THE WF
(expletive) camera... the[illegible]ry ((interpreting)) that one!

HAKIM ((INTERPRETS FOR [redacted]

[redacted]

HAKIM HE IS NOT NEGOTIATING this...

NORTH: I UNDERSTAND THAT.

HAKIM: he is just advising. HE'S SAYING THE SAME WAY THAT YOU ARE TELL:
ME, WHAT ARE THE THINGS THAT WOULD OPEN THE WAY FOR YOU IN THE
UNITED STATES, I AM PASSING ON TO YOU THE WAY [illegible] WOULD OPEN THE
WAY FOR ME AND FOR [redacted] to do things. i [illegible]m that
nobody wants me to pass this....for instance [illegible] not going t
be ?costing you a thing? to send these guys [illegible] not trying
to save some money. if you don't raise the [illegible] the cost of
these technicians, that is going to create [illegible]osphere,
it can not be....

secord: we haven't talked about cost of technicians[illegible]

NORTH YOU KNOW, WHEN WE GO AND DO SOMETHING LIKE THAT, THE[illegible]N'T GOI
TO BE A cost for it. I KNEW EXACTLY WHAT THE THREE THINGS YOU
WERE GOING TO TALK ABOUT WERE. YOU KNOW WHY? BECAUSE ANOTHER EMIS
FROM IRAN HAS ALREADY TOLD OUR GOVERNMENT THAT. THAT'S EXACTLY
THREE THINGS THAT WERE RAISED WITH US TWO WEEKS AGO.

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HAKIM: ((INTERPRETS FOR [redacted]).

NORTH: i'm telling you, WE'RE SO CLOSE TO HAVING DONE THE RIGHT THING--YOU AND I AND [redacted] AND THE MEN IN THIS ROOM, AND YET WE'RE GOING TO FOUL IT UP; I CAN SEE IT COMING.

HAKIM: ([illegible] FOR [redacted]).

C 10460

second: [illegible] old th[illegible] is a year ago.

NORTH: [illegible] HAVE KNOWN FOR OVER A YEAR THAT YOU NEED TECHNICAL HELP, AND WE [illegible]VE OFFERED CONSTANTLY TO SEND IT. GO BACK AND READ THE DOCUMEN [illegible]T I WROTE IN TEHRAN IN MAY.

HAKIM: ([illegible]TERPRE[illegible]R[redacted]).

NORTH: A[illegible]T TO GOOD [redacted] OR WHATEVER THE HELL HIS NAME IS, I GAVE IT TO HIM. it's in that one.

CAVE: ((UNINTELLIGIBLE))

NORTH: WHEN WE WERE IN TEHRAN, ALL MCFARLANE SAID WAS, "LOOK. WE DON'T W YOU GUYS TO LOSE THE WAR; WE WANT AN HONORABLE SETTLEMENT. AND AL YOU HAVE TO DO IS USE YOUR INFLUENCE TO GET THOSE HOSTAGES OUT, A WE'RE GOING TO DO ALL KINDS OF THINGS FOR YOU." IN FACT, HE SAID, "DON'T LIMIT YOURSELF TO [illegible] THIS. THERE IS MUCH, MUCH MORE THA COULD BE DONE. THE HOSTAG[illegible]AVE TO GET BEyond US... we have to ge beyond them.

HAKIM: ((INTERPRETS FOR [redacted]

((time out for tea))

[redacted]

HAKIM: ((INTERPRETS)) THEY ARE CO[illegible]NCED THAT we have ??good intentions?? HE HAS SAID IT BEFORE. HE SAID, "AFTER THINGS BROKE UP IN IRAN, AND YOU left and then ?yet? you sent this STUFF, THAT INDICATED TO THE IRANIANS THAT THE AMERICANS HAVE good ((few words missed)). he has brought this up. but he says, in other words he's saying he knows that we have ??good intentions??

NORTH: so HOW THE HELL DO WE GET FROM WHERE WE ARE TODAY TO WHERE WE'VE TO GO?

HAKIM: ((INTERPRETS FOR [redacted]).

[redacted] and hakim talk for a while in persian))

HAKIM: ((INTERPRETS)) HE SAYS A COUNTRY LIKE THE [illegible]ITED STATES--A SUPERPOWER- is it not in their power to s[illegible] technicians tuesday? i said, "yes it is. [illegible] them on monday, we can send then on sunday." [illegible]... that [illegible] why i wanted a few minutes... THEN I SAID, "[illegible]MAM LIKE [illegible] KHOMEINI--THE FIRST SHIAH IMAM for the [illegible] government of shi'ahs in the world-- HE DOESN'T HAVE THE POWER OF GOING TO LEBANON AND TELLING THOSE ASSHOLES TO RELEASE THE THREE HOSTAGES? SUCH A GREAT RELIGIOUS POWER?"

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TOP SECRET

north and his answer was?

hakin "NO. HE DOESN'T know the details." I SAID, "WELL, OUR PRESIDENT DOESN'T the details." I'M TRYING TO MAKE THE POINT THAT IT'S THE WRONG ATTITUDE TO SIT BACK there and say THE [illegible] STATES IS A SUPERPOWER, AND we FORGET THAT T[illegible] A SUPER RELIGIOUS COUNTRY. IT'S VERY EQUAL.

NORTH: [illegible], it i[illegible] THE INFLUENCE THAT THE IMAM HAS OVER [illegible]SE WHO HOLD THE HOSTAGES IS near total.

C 10461

HAKIM: [illegible] COURSE. HE CAN GET THOSE PEOPLE BACK WITH ONE WORD, ONE WORD. [illegible]M CONVINCED. IT'S no bullshit. i think...he can. he can.

HAKIM: [illegible]ERPR[illegible]R [redacted]

[redacted] and hakim talk in persian))

HAKIM: ARE YOU GOING TO STICK TO THE PAPER THAT YOU GAVE THEM IN MAY, IF YOU GET THE HOSTAGES BACK?

NORTH: SURE. AND YOU notice that paper ALSO TALKS ABOUT "ALL OF THE HOSTAGES," ALL THE HOSTAGES, ALL TERRORISM STOPS. that paper talks about that.

HAKIM I UNDERSTAND. BUT YOU ARE [illegible]ARED TO STICK TO YOUR PAPER OF MAY?

NORTH: OF COURSE.

HAKIM ((INTERPRETS FOR[redacted]

north: this sticks to that paper[illegible]at's part of that.

secord i don't know if he's seen[illegible]

HAKIM i'm trying to make a poin[illegible] [redacted] just trying to help

((hakim and [redacted] talk in persian.))

hakin you gave him a copy and he has read it?

NORTH YEAH. AND THERE IS STILL A COPY THERE IN TEHRAN

HAKIM yeah, he has read it.

secord has he read our proposal on the da'wa prisone[illegible] don't know if seen it.

hakim: ((interprets)).

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[redacted]

hakin yeah, he liked it he saw it.

[redacted]

hakin ((interprets)) he said he liked the approach that you gave the pa he quoted it ((few words missed)) you could have insisted that you wanted to give the paper after ((few words missed)). he said these things open the way . very important. i said; "we are will

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how can we tell you?"

second: we have some more information on the da'wa prisoners ... that sam h

NORTH: IT was not just GIVING YOU A PIECE OF PAPER. WE HAVE ALREADY STAR

CAVE. (([illegible])) WE'VE TAKEN ACTION.

HAKIM: [illegible]ERPRE[illegible] [redacted].

C 10462

HAKIM. [illegible] explaining to him one american ((word missed)). if he [illegible]meaning an american)) says, "maybe i can ?do [illegible]ething?." he has studied the situation thoroughly [illegible]ore he s[illegible]aybe. they ((the americans)) told you [illegible]n)) n[illegible]ays... in two days they have the goddamn [illegible] IF THESE PEOPLE ((the americans)) HAVE G[illegible]S LIST OF THE 17 GUYS, YOU CAN BET YOUR ASS THAT [illegible] HAVE STUDIED IT AND EXAMINED IT AND THEY ARE TAKING STEPS.

NORTH: I HAVE ALREADY MET WITH THE KUWAITI foreign MINISTER, SECRETLY.

HAKIM: ((INTERPRETS FOR [redacted].

NORTH: IN MY SPARE TIME BETWEEN blowing up nicaragua. ((LAUGHS))

SECORD: WE HAVE ALSO GOTTEN A SPE[illegible] REPORT ... sam has ... on the prisoners. and some interesting info[illegible]on... like they haven't been visited. which is ridiculous.

((CAVE AN[redacted] CON[illegible] IN PERSIAN. UNINTELLIGIBLE.))
((secord and north talk a[illegible] their drinks. two conversations going on at once.))

north what are we talking about[illegible]

cave we were just going over

secord ((interrupts)) he's all over the area

cave ... the experts and ?everything?. ((few words missed)) what's really needed is a group of people to go out there . they've got all kinds of problems

NORTH. WELL, OF COURSE THEY DO. I TOLD them THIS A YE[illegible]GO. LOOK, LET ME TELL YOU SOMETHING. THE PROBLEM--[illegible]O WE ALL UNDERSTAND IT--IS IF A VISIBLE EFFORT IS MADE [illegible] UNITED STATE COVERNMENT WHEN THERE'S A LONG LIST OF HOSTAGES [illegible] HELD IN LEBANON, THIS PRESIDENT IS GOING TO GET STONED [redacted]

[redacted]

secord: and by his own people.

NORTH: YOU KNOW. IT JUST AIN'T GOING TO HAPPEN [illegible] this [illegible]t is going to be visible

CAVE. ((INTERPRETS FOR [redacted]

[redacted]

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CAVE HE SAYS YOU GUYS DON'T KNOW WHAT YOU'RE TALKING ABOUT HE SAYS, " [redacted] JUST sold us SOME RADARS AND THEIR TECHNICIANS ARE IN TEHRAN NOW, WORKING ((few words missed.))

NORTH I KNOW. BUT IT WASN'T DONE WITH THE AUTHORITY OF THE [redacted] GOV[illegible]

HAKIM [illegible] OR [redacted]

C 10463

[redacted] [illegible] yes it w[illegible] how could it be that ((few words missed))

cave: [illegible]nterprets)) he says, "i don't want to say this, you know, [illegible] destroy what we're doing."

north: [illegible]

cave: wh[illegible] name of the radar...?

north: [redacted]

[redacted] the [redacted] told us, "we will come with the cover story that we are installing the radars [redacted] to ((word missing)) the russians. of course, we will come and install them for you ?adjacent to? iraq. ((portion missed)).

cave ((interprets)) ((inaudibl[illegible]

NORTH yeah, but, again, the [redacted] GOVERNMENT IS NOT AN ACTIVE PARTICIP THE [redacted] GOVERNMENT DI[illegible]...

CAVE but the other thing ((few [illegible]s missed)) is the [redacted] know ((few words missed))

north that's true

cave and he says that their ((re[illegible]nder missed)).

north that's true.

secord what did he say about the kuwaiti prisoners? he wasn't interested in what you had to say?

cave he had no comment.

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secord he ought to have a comment.

north ?that's why? i spent seven days trying to put [illegible]ing together

((during the above exchange between cave, se[illegible] [illegible]orth, hakim and [redacted] were talking in the back[illegible]und[illegible] cave continues talking quietly to north and [illegible]ord[illegible]st of what he says is inaudible.))

[redacted]

1 page
C 10464

DENIED IN
TOTAL

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NORTH

CAVE

NORTH

CAVE

[redacted]

C 10465

CAVE ((INTERPRETS. UNINTELLIGIBLE.))

NORTH AND THE [redacted] WILL KNOW IF WE SEND TECHNICIANS IN--TECHNICAL EXPERTS. THEY'LL BECOME AWARE OF IT

CAVE ((INTERPRETS FOR [redacted] MAKES ADDITIONAL COMMENTS TO [redacted] AND EXPLAINS TO NORTH [redacted]E HAS TOLD [redacted] ONLY SNATCHES OF WHICH WERE INTELLIG D))

NORTH WHEN MCFARLANE WAS IN n and MY FRIEND [redacted] [redacted] WAS THERE MCFAR KEPT SAYING THINGS LIKE, "LOOK PUT THIS BEHIND DON'T LIMIT YOURSELF TO THESE SMALL LITTLE THIN THINK BIG. THINK BEYOND THE HOSTAGES. THINK ECONOMI d THINK OF ALL KINDS OF WAYS IN WHICH WE CAN HE OU, NOT JUST [redacted] PHOENIX MISSILES. that's nothin ink big and THAT'S THE IMPORTANT THING TO DO. E CAN'T THINK BIG WHEN WE'VE GOT THAT STARING S

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[redacted]

hakim he wants to get to the last issue

cave he wants us to look into the ((word missed))

north i will, i will

((CHATTER ABOUT north NEEDING AN ASPIRIN, north [illegible] the room.))

SECORD TELL HIM THAT IF HE JUST GOES OUT TOMORROW [illegible] NEXT DAY AND GRABS THOSE THREE GUYS OUT OF LEBANON, WE [illegible] K IN AND REBUILD HIS GODDAMN AIR FORCE. I BUILT [illegible] CE [illegible] L GO BACK IN AND BUILD IT AGAIN. THAT WAS MY BABY. [illegible] AIR FORCE--FOUR AND A HALF YEARS on it.

A

HAKIM ((INTERPRETS FOR [redacted]

SECORD YOU SEE THAT TAKES THE HEAT OFF THE PRESIDENT when you do that. WE CAN GO OUT HERE AND RECRUIT PEOPLE AND SAM CAN HELP US FIND SOME PEOPLE-- PEOPLE WHO HAVE RETIRED FROM THE MILITARY, PEOPLE WHO ARE IN INDUSTRY.

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HAKIM: ((INTERPRETS FOR [redacted]

SECCRD. WE'LL SAY THEY'RE SWISS OR SOMETHING, YOU KNOW, AND IT'S NOT A PROBLEM. BUT IT TAKES TIME

CAVE: ((I[illegible]TS FOR [redacted])).

[illegible]LE CHATTER. north returns.))

[redacted]

cave: [illegible] i forgot about those. 22 chincoks that are embargoed ((few wor missed)) already paid for ((few words missed)).

north: [illegible]t's [illegible] it's true.

secord: [illegible]rect story, only i think it's only eight that are paid for. I GUARANTEE HIM THAT IF HE LETS US SEND A COUPLE OF LOGISTICS EXPERTS INTO THEIR DEPOT, WE'LL FIND A BILLION DOLLARS WORTH OF STUFF THEY DON'T KNOW THEY'VE GOT--IN TWO WEEKS.

C 10466

CAVE: ((INTERPRETS FOR [redacted]

north: save you a lot of money

SECCRD: we HAD the IRANIAN A[illegible]ORCE was THE MOST WELL-SUPPLIED AIR THE WORLD HAS EVER SEEN [illegible] 1979.

north: better than ours

secord: oh, much better. they [illegible]three years' of supply--combat rates on every line item.

NORTH: HOW ARE YOU GOING TO FI[illegible]ARG ISLAND?

HAKIM: ((INTERPRETS FOR [redacted]

NORTH: HOW ARE YOU GOING TO PROVIDE HOUSES this winter?

[redacted]

HAKIM: HE SAYS THAT'S NOT AN ISSUE because THEY ARE NOT GOING TO PRODUCE MORE THAN TWO MILLION BARRELS A DAY

north: why? OPEC?

[redacted]

hakim: ((interprets)) he says the experts know [illegible] ([illegible] words misse

NORTH: BUT THAT'S BECAUSE THERE HASN'T BEEN AN[illegible]ON done s THE WAR STARTED.

HAKIM: ((INTERPRETS FOR [redacted]

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[redacted]

HAKIM: EVEN THE SHAH COULD NOT PRODUCE MORE THAN FOUR MILLION ((FEW WO

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MISSED))

cave: ((few words missed)) produced five and a half million a day.

north: yeah; but he's talking about for export--you're right. one and [redacted]ayed home and four went out.

secord: [redacted] was lifting five and a half million a day.

north: [redacted]rue. four million for export and one and a half ...

hakim [redacted]((interprets))

[redacted]

hakim [redacted]s)) ?but? seven and a half million breaks down to [redacted]w words missed)).

SECORD: THE POINT IS THAT--AS I'VE BEEN TELLING THESE GUYS FOR OVER A Y NOW--A FEW WELL-PLACED TECHNICAL EXPERTS, IN WHATEVER FIELD ?THEY'RE? TALKING ABOUT, is WORTH MORE MONEY THAN THEY COULD EVER SPEND ((FEW WORDS MISSED)).

HAKIM: ((INTERPRETS FOR[redacted]

north: you know, it is real i[redacted]nt to get these guys hot on getting ((few words mis[redacted]. it ought not to all fall to him. you know THERE [redacted]N IMPORTANT POINT ON THE TECHNICAL teams, AND TH[redacted]S: THAT ISSUE--IT'S JUST LIKE THE MCFARLANE Trip[redacted]HAT WILL BECOME PUBLIC.

HAKIM: ((INTERPRETS FOR[redacted]

C 10467

secord: we told him that while [redacted]were out.

NORTH: WE WANT TO MAKE SURE TH[redacted]E CAN DO IT RIGHT, AND THAT IT'S NOT GOING TO COST ANYTHING to put these people over there--it won't cost you anything. but because of the RISK OF THAT BECOMING PUBLIC, WE CAN'T DO THAT while these other guys are still being held.

HAKIM: ((INTERPRETS FOR[redacted].

NORTH: IT'S TIME FOR YOU GUYS TO TAKE A CHANCE.

????: I don't think ((few words missed)).

north: sure it is.

hakim: they just don't want to get their imam (([illegible] wor[illegible]issed)) he could do ... just like that ((snaps fing[illegible] are too lazy--that's it. they just don't want [illegible]

north: it's a political risk.

cave: ((interprets for [redacted]

[redacted]

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hakim: ((to secord in persian)) mr. secord, when are you going to ira

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cave: ((in persian)) is it an official invitation?

secord: iran?

hakim: ((in persian)) when are you going?

[redacted] [illegible]e sixth step.

hakim: ((few wo[illegible]issed))

SECORD: ((few words missed)) no, but WE HAVE THE GUY who... I'VE ALREADY RECRUITED THE GUY WHO [redacted]

HAKIM: [illegible]TERPR[illegible] [redacted]

secord: [illegible]e just retired from the army.

((knock at door.))

north: whoa, whoa, whoa, whoa, whoa--who's that? who is that? [redacted]

((someone calls, "who is it?"))

secord: look through the hole.

((hakim calls t[redacted] leaves room. chatter about a chinese restaur[illegible]))

secord: what's [redacted] doing here[illegible]

hakim: [redacted] asked him to come.

C 10468

secord: why?

HAKIM: gentelmen, [redacted]S RUNNING THE SHOW?

NORTH: WHO THE ((EXPLETIVE)) IS [redacted]

HAKIM: okay, i'm glad you asked. HIS LAST NAME IS [redacted] HE OWNS this SHIPPING COMPANY. HE'S THE ONLY GUY IN TOWN--IN TEHRAN--WHO CAN STILL PROVIDE WOMEN, WINE, AND DANCING AND OPIUM. HE PROVIDES MONEY ...

CAVE: ((UNINTELLIGIBLE.))

HAKIM: HE IS THERE NOW.

SECORD: WHERE IS THE BASTARD?

HAKIM: HE'S IN TEHRAN AND HE'S GOING TO [redacted] [illegible]ll kinds of things for the iranian governm[illegible] AFRAID THAT HE'S BEING kicked OUT OF T[illegible]AL, AND [illegible] turns [redacted] against me, he turns [redacted] [illegible]t the t[illegible] ... he does all kinds of things. he i[illegible] nigger in the ...

north: the woodpile.

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hakim: right.

north: ((missed))

cave: well there had to be one of those.

SECORD: [redacted] WHILE YOU WERE OUT OF THE ROOM THAT HE WAS [redacted]VE THE PROBLEM OF THE THREE HOSTAGES. [redacted]ght? h[redacted]d it again. BUT WE DON'T KNOW HOW.

NORTH: [redacted] I DON'T CARE HOW RIGHT NOW.

SECORD: [redacted] DON'T CA[redacted]OW EITHER. EXCEPT I HAVE SOME DOUBT THAT HE WILL.

HAKIM: [redacted] CA[redacted]T. I KNOW THAT.

NORTH: W[redacted] KNOW. YOU SAID IT YOURSELF. THE ONLY THING THAT WAS NECESSARY IS FOR THE IMAM TO MAKE VERY CLEAR TO PEOPLE...

HAKIM: AND the SITUATION IS ripe FOR THEM TO DO IT.

CAVE: what i don't understand is ((word missed)) [redacted] HAS TO ((few wor missed)).

secord: I didn't know that they [redacted] ?saying? ...

?hakim? [redacted] is staying here?

north: NO. [redacted] going [redacted]

CAVE: [redacted] HOW'S HE GOI[redacted] DO IT FROM [redacted] HOW'S HE GOIN get THOSE GUYS RELEASED[redacted]

hakim: he's supposed to have t[redacted]ddamn thing out. C 10469

secord: by friday?

hakim: pardon me?

secord: the day after tomorrow he's supposed to have them out?

hakim: ((word missed.)) he's supposed to also to have ((remainder of sentence missed)).

secord: ((missed))

north: i thought i had a copy of the original agr[redacted]rom tehran.

cave: there have been so many agreements ...

north: no no no, there was only one of those.

secord: yeah, but that was never an agreement.

cave: i remember that; i wish i would have [redacted]n the eng[redacted]h. then i could have translated. ?or [redacted] could have translated. into fa

north: i think she did a very good job. given it was both ((few words missed)).

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hakim: ollie, if you got the three hostages back, how many shish would you be prepared to eat ((few words missed))?

north: i'd eat shish till the cows come home. i'm willing to go.

(([illegible]ter))

cave: [illegible] of shish! you know, there's a chinese restaurant [illegible]t loo[illegible]e a dive in frankfurt, and there's a sign ((few [illegible]ords mis[illegible] in farsi "ghazaye irani."

secord: where, in frankfurt?

north: [illegible]at's gh[illegible] irani mean?

cave: [illegible]

secord: are we going to eat tonight, or are we just going to ...

north: i'm going to eat, i'm going to eat. you guys can sit around and ((expletive)) all you want. I am going to go eat.

cave: where are you going to go? ((few words missed)) chinese food.

north: i don't care what i eat, i'm going to eat. i have not eaten yet today.

hakim: what in the hell was th[illegible] few words missed))?

north: that wasn't eating. th[illegible]s standing up on the ((word missed)) my idea ((few words mis[illegible].

cave: do you have an extra env[illegible]e?

north: do i have an extra enve[illegible] what do you want to put in it?

cave: ((few words missed)). ?but? i've got to get back

C 10470

north: i've got photographs of T-72 tanks ...

((chatter in background))

north: hey guys, i've got to go home and tell the boss something. what do i tell him? no deal?

?hakim?: what are you talking about?

secord: no, no, no, no, no. we're getting our two [illegible] weekend. we're not ... I'd like to see us [illegible] though. the thing that befuddles me is I [illegible] UNDERSTAND WHY IT'S NOT EASIER FOR THEM TO [illegible]AB [illegible] THREE IN ONE STROKE.

NORTH: I DON'T EITHER.

HAKIM: BECAUSE, I THINK...YOU WANT AN ANSWER? BECAUSE they don't have enough ... you see they do not want TO USE KHOMEINI. IF YOU put that aside--that they DON'T WANT TO USE THE BIG GUN.

north: wait a minute. khomeini ...

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hakim: if they use khomeini, they can do almost anything as far as the shia is concerned.

secord: if they send an order to the revolutionary guard to get them, th[illegible]

HAKIM: [illegible]OW WHERE THEY ARE. they know ((few words missed)).

CAVE: [illegible]EY KNOW [illegible]E THEY ARE.

HAKIM: [illegible]O. THEY KNOW WHO'S got THEM.

secord: [illegible]EY KNOW [illegible]E THEY ARE, TOO, i'll bet you. YOU THINK [illegible] B[illegible]N'T KNOW WHERE THEY ARE?

NORTH: [illegible]OCK OF CRAP; THEY KNOW EXACTLY WHERE THEY ARE.

HAKIM: in fact at ONE POINT THEY CFFERED TO give us... tell us where ?they are?.

NORTH: WELL, I'LL TAKE THAT deal right now.

SECORD: why don't they GIVE US TWO AND THE LOCATION OF THE THIRD ONE?

NORTH: NO. GIVE US THREE AND TH[illegible]CATION OF THE OTHER THREE.

hakim: ((laughs))

north: i mean really— THERE's [illegible] AMERICANS MISSING, gang. SIX.

SECORD: i think YOU YOURSELF KN[illegible]AT THE PALESTINIANS ARE INVOLVED IN OF THIs action.

NORTH I THINK THAT THE LIBYANS [illegible] PROBABLY INVOLVED IN THE LAST THREE, BUT I DON'T KNOW [illegible]W WORDS MISSED.))

SECORD: SO THEY MAY WELL BE TELLING THE TRUTH WHEN THEY SAY THAT THEY DON'T KNOW WHERE THEY ARE.

CAVE: THAT ONE GUY WAS AS NUTTY AS A FRUITCAKE.

NORTH: I GRANT YOU THAT. ANYBODY WOULD ((FEW WORDS MISSED.))

cave: but they're certainly involved in those oth[illegible]

((few exchanges missed))

NORTH. we THINK THAT THERE was a contract job do[illegible]

((end of minitape))

[illegible]71

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Chapter 14, Footnote 260

C 09513

14-260

NIC 05060-86
3 November 1986

MEMOR[illegible] FOR: Director of Central Intelligence

FROM: Cha[illegible]. Allen
[illegible] Intelligence Officer for Counterterrorism

SUBJECT: Frankfurt Meetings

1. Bud MacFarlane's trip is becoming known. [redacted] said [redacted] asked him about Bud's visit. The problem stems from the radicals around Montazari taking action. They have convinced him that this was bad for Iran. Interestingly enough, it turns out that Ghobanifar told Montaza[redacted]ut all the transactions and kept him briefed on what is going on. It t[redacted]ut that Ghobanifar and Montazari have been friends for 15 years. [redacted]s[redacted]at the reasons for the failure of the Bud trip were several. One was th[redacted] trip had not been fully coordinated at the senior level. One [redacted] problems was Ghobanifar's presence in Tehran and the role he pla[redacted]Most people do not trust him, but he has convinced [redacted] that he has [redacted]of influence in the United States. [redacted] has a lot of faith i[redacted]anifar. The other problem was Amiran Nir's presence in Tehran. [redacted]old them who he was in order to cover his backside. [redacted]argued t[redacted]nce Ghobanifar [redacted] he was someone that they should use. From [redacted] comments, [redacted] was given to believe that Ghobanifar was quite a powerful man. With further regard to Ghobanifar and his threats, Rafsanjani has proposed inviting him back to Iran and keep him there several months working on things. They can keep him based on the fact that there is an order for his execution. [redacted] said that they do owe Ghobanifar $10 million, but he also owes them 1,000 TOWs. The problem for us is that he has been involved in many deals and we do not know how to judge this statement.

[redacted]

Partially Declassified/Released on 26 [illegible] under provisions of E.O. 12356 National Security Council

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Executive Registry 19197

CIIN 4030

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Chapter 74, Footnote 260

C 09520

3. Ollie North said that since the beginning of the talks we have taken certain political actions. We have talked to [redacted] and pressured them into curtaili[redacted]ales to Iraq. We have opened discussions with [redacted] said that there were four issues that he wished to [redacted]ssion, but first he wanted to say that Khomeini has is[redacted] decree [redacted]ch he states his considered opinion that the hostages a[redacted]soners. This has changed the attitude of the Lebanese captors. [redacted] s[redacted]at they wish to table the following points for discussion:

A. How to proceed with our relations, and relations with other states in[redacted]rea.

[redacted]arrive at a joint understanding as to why things are proceed[redacted]ly.

C. He wants to explain and clarify his own role in the operation.

D. He wants both sides to engage in an analysis of the security of the operation.

4. [redacted] On our side we explained the US position in seeking better relat[redacted]with Iran. In this instance we stated that with regard to the 9-point pro[redacted] we were moving as fast as possible and they must also move fast, too. [redacted]aid that he has full trust in the group he is dealing with and wants [redacted]plain the problem of coordinating things in the Iranian Government. [redacted]t understand that this is a new revolutionary government. After Kh[redacted], it is like a corporation. There are three wings in the government. [redacted]ing is the fanatic wing (Tondro). This wing is actually divided into [redacted]roups, one of which is extremely fanatic and the other which is less so. The second group is the Middle Roaders. Rafsanjani is the leader of the Middle Roaders. This group functions as the bridge between the fanatic group and the right wing group. The right wing group leans towards the West in the sense that they want free trade and a democratic government. What must be understood is that all three groups are strongly Islamic and want an Islamic government although all three approach this differently.

5. [redacted]aid to understand the government process, we mu[redacted] that Khomeini [redacted] given to Rafsanjani the responsibility for man[redacted] war and foreign af[redacted]. This is why he is usually referred to as [redacted] two man. When [redacted] first brought up the issue of better r[redacted]th the US, Rafsanjani agreed, but said that all groups must take [redacted] Rafsanjani insisted that [redacted]from all three groups should take part in this program. Aft[redacted]ebate in the cabinet and also the Majlis, a position was rea[redacted] took it up with the Imam who gave his approval. Rafsa[redacted]s positi[redacted]that

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if the policy succeeds, all will share. On the same hand if it fails, all will also share so no one can complain. The problem is one of coordination between th[illegible] groups. [redacted] stated that the last shipment of TOWs elimin[illegible] [redacted] channel and establishes his group. [redacted] said that [illegible] was very well received in Tehran. This enables the[illegible] force the [illegible] to focus on the hostage situation. There is, how[illegible] some confusion in Tehran.

[illegible] The problem of Montazari. [redacted] They, of course, wer[illegible] aware that [illegible]ifar had been keeping him briefed all along. [redacted]

7. [redacted] there is a small group of extremely fanatical Hizballah in [redacted] This gr[illegible] small, very radical, [illegible] united. They published a newspaper in which th[illegible]led that the United States and Iran are cooperating in getting the h[illegible]eleased. [redacted] said that at the moment they have no hard information [illegible] the other two hostages, but he suspects that it could be this [illegible]al[illegible]allah group.

8. In one of his many asides to Clarke, [redacted] said th[illegible]ned about North's demand for release of all the hostages. [illegible]oblem

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[redacted]

[redacted])said that [redacted] would be arriving in Europe on 31 October. [redacted] sai[redacted] they want to move things along and hope that the release of two more hos[redacted] will help. The perception in Tehran is that the American leadership is [redacted]r of movin[redacted]gs along too fast. They interpreted our original seve[redacted]ts as a [redacted]tration of extreme caution. The US side defended this cauti[redacted] that the bottom line is that they released two then took t[redacted]ded several points he wanted to discuss as follows: Kuwaiti p[redacted] cameras for RF-4's, and a list of Phoenix spare parts. [redacted] said that the Iranians have 70 Phoenix missiles which are inoperable and in need of spare parts. Rafsanjani himself is personally interested in the Phoenix problem. This is because the Iraqis have enormous respect for the Phoenix. They need help to repair the missiles on hand as they know it is impossible to obtain new ones. Technicians to help on the Phoenix missiles would be seen as a very positive step in Tehran and could well resolve the whole hostage problem. [redacted] also said that they have enough TOWs for current operations.. At this point[redacted]phasized that the sending of things to them have proved the US' good in[redacted]s. We told [redacted] that it might be some time before we could organize t[redacted]chnical support they needed, but we thought such support was essential a[redacted]r orders for spare parts do not make sense. In fact General Secord belie[redacted]at it someone were to get into their logistics system he could probably l[redacted] large numbers of spares that they do not even know they have. [redacted] also a[redacted]f we could do anything about the 20 Chinooks that have been embargoed in[redacted] for three years. The FBI is also holding $20 million that Iran went t[redacted]t for and won the case. We asked him for additional information on th[redacted]e and some documentary support so that we can follow it up.

10. In another aside, [redacted])stated to Clarke that they feel they must have pilotless drones to give them the kind of intelligence coverage they need. He wondered if they could buy some from the Israelis. This may be an opening for Nir. [redacted] also told us about [redacted] radars they are buying from [redacted] Although they are supposed to be deployed to cover the Soviet Union, in fact the technicians are installing them along the Iraqi border.

11. [redacted]said that a four-man committee has been formed in Tehran to oversee [redacted]ir relations with the United States. They are as [redacted]:

[redacted]

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C 09523

[redacted]

said that the man they ultimately want to meet with senior US officials is [redacted] who is [redacted] and a moderate. He is [redacted] role in this is somewhat foggy. [redacted] is the only one of the four that knows of his role. The best way to describe him is that he is Rafsanjani's window on the operation.

[redacted]

Charles E. Allen

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Chapter 14
Footnotes 26-247
249, 251-25
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C 10451

~~TOP SECRET~~ NOFORN

"((ministape))

4454

14-261

cave: [illegible] says th[illegible]e got it, but it's not in bandar abbas

second: [illegible]t's not? when we talked last, my understanding was they [illegible] it in a shelter at bandar abbas. where is it?

cave: [illegible]ran.

second:

[redacted]

cave: ((interpreting)) they can bring it in about a day and a half

second: okay

[redacted] as soon as we staRT, b[illegible] ((few words missed))

second: do they have a transpo[illegible] move it

cave: he says they don't wan[illegible] army to know that they're giving ((few words missed)).

second: so ((few words misse[illegible] they will cover us?

[redacted]

cave: ((interprets)) oh, yes [illegible]t he says is that the best way to do this is that we'll have the t-72 get there roughly the same time as the ship.

second: he has to give me the time, and i will adjust accordingly he must also give me instructions

cave: ((interprets))

[redacted]

cave: he doesn't want he says that the agreeme[illegible] [illegible]t just a regular, uh, you know, commercial ((wor[illegible]

second: whatever he wants if they have the...

cave: ((interprets))

second: the reason why i said navy was that i [illegible] the nav[illegible] the cranes i suppose they do

((interprets))

what did i tell you that it weighs? 46,000?

4525

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north forty it weighs 42 tons

second forty-four tons, ?in fact?

north forty-two tons maybe with a full combat load it's 44 tons

second [redacted] 44 or 45 tons

north [redacted]ah, b[redacted] they have a 100 thousand pound crane at baNDAR [redacted]bbas an[redacted]e?

second [redacted] i don't know

north [redacted] well, i[redacted] don't, it's never going to get on the ship

second [redacted] do in the navy

cave ([redacted] whether or not a suitable crane exists at bandar abbas [redacted] says that the revolutionary guards has placed one there))

cave he says that they have one that they unload ((few words missed

north if it unloads 'em, it will load 'em

[redacted]

cave ((interprets)) he say[redacted]t the pasdars have their own pier.

((phone rings [redacted] apparently giving a room number, sa "515," and hangs up))

second sam would you ask hi[redacted] they would be so kind as to put a full load of the big[redacted] ammunition in the tank whatever it is, 30, 40, 50 roun[redacted]hatever

cave ((interprets)) ((while cave interprets, the following exchange takes place between north and second))

north "why don't we ask him" if he wants to get rid of an mi-24 or an mi-"21", which we don't have to ((few words missed))

second it would be nice to have though

north no well we've got ((few words missed))

second we've got plenty of that kind of ammo?

north i mean that's not as important as

second well, they may not have it either

north it would be good to have a sample of

second ((asks cave)) do they have it"

[redacted]

cave ((interprets)) they have there's a guy named [redacted] the f b i confiscated twenty million dollars ((to[redacted]n

C IN 4525

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persian.)) When was this?

[redacted]

C 10453

cave: ((interprets)) he says about a year and a half ago

[redacted]

cave: ((inter[illegible])) yeah, this was another ...

north: ... sting, or was this ...

cave: I don't [illegible] if it was a sting or not. But [redacted] is well kn and he [illegible] them that the twenty million dollars ((few words [illegible]w missiles ((two words missed)).

north: [illegible] onlu guy who can get tow missiles.

second: yeah, but he's got ((word missed)). He's asked ... he wants their money back.

cave. what they want to know is about the money.

north: i don't know, i'll check ...

[redacted]

cave: ((interprets)) he sa[illegible]at they even won a court case ?on th money in the united s[illegible] and the f b. was ordered ... the f b i. was ordered by [illegible] court to turn over the money, and th haven't yet.

north: why don't you get for [illegible] you get for me the facts for our next meeting, and i wi[illegible]o and find out what i can

cave: ((interprets))

second: ((interrupting)) name of attorneys That's a lot of money

north: you get for me the facts on what happened--the names of the attorneys, the dates ... bring that to the next meeting when we give you the communications equipment ...

cave: ((interprets))

north: ... and i will take the information you [illegible] and find out what happened, and then call you on that [illegible]ations and te you what the answer is.

cave: ((interprets))

((knock at door.))

second: tell him the name of the ship is ria-[illegible]-a.

north: do we have the ship's callsign?

second: that is the ship's callsign--ria.

[redacted] apparently starts to leave the room.))

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C 10454

secord don't be gone long. we've got work to do. Tell [redacted]

((recording is interrupted at this point. when recording is resumed, the conversation transcribed below was in progress. It should be noted that this conversation was [illegible]ailable on portions of other tapes produced from anothe [illegible] device. (Portions of tape #7 and #8, transcriptions [illegible] were provided earlier.) The quality of this recordin however, [illegible] considerably superior to the other tapes, and this transcription contains a number of major revisions and additio of material which could not be recovered from the earlier tapes.))

hakim ......w[illegible] to raise a few issues ((few words missed)) som [illegible] the[illegible] are going to raise serious objections, but his [illegible]s to discuss it and try to remove the ((word missed

[redacted]

HAKIM: ((INTERPRETS)) the deduction, BACK IN TEHRAN... HE JUST ... HE'S SAYING HE'S PASSING ON WHAT THE PEOPLE SAY THERE. THEY CONSIDER that your seven POINTS AS THE OFFICIAL POSITION OF THE U.S. THE NINE POINTS HE REFERRED TO AS THE AGREEMENT BETWEEN [redacted] and ?I?. AND EXAMINING THE SEVEN POINTS, THEY CO[illegible] THE CONCLUSION THAT THE U.S. IS VERY CAREFUL AND [illegible]ul--HE REFERRED TO that EARLIER--IN TAKING THE ST[illegible] TOWARDS NORMALIZING RELATIONSHIPS. AND HE HAS [illegible]ENDED OUR POSITION BY PASSING ON TO THEM THE PO[illegible]N OF THE U.S. THROUGH THE WORDS OF GENERAL SECORD, [illegible]H WERE THAT THE BOTTOM LINE IS THAT WE WENT THROUGH A [illegible] OF SONG AND DANCE WITH ?YOU?, AND YOU RELEASED T[illegible]IESTS FOR US AND THEN YOU TURN AROUND AND got two O[illegible] GUYS. THAT'S THE BOTTOM LINE. HE SAYS, "I HAVE PAS[illegible] THIS ON to them."

[redacted]

HAKIM ((INTERPRETS)) AS SOMEONE WHO'S INTERESTED IN SEEING THESE THINGS TAKE PLACE, I'D LIKE TO TELL YOU THAT THERE ARE a few STEPS, SEPAR FROM THE STEPS THAT WE ALREADY DISCUSSED. ?((THEY))? WILL SOLVE M OF THE PROBLEMS. One is the issue of the prisoners in Kuwait--the Da'wa.

[redacted]

hakim ((interprets)) The other one is the [redacted] cameras for th [redacted] iran needs them "desperately"

secord: That's a new one, isn't it?

hakim yes. it's new and not new because [redacted] br[illegible]

[redacted]

hakim ((interprets)) he says the other one is th[illegible] spare parts ((few words missed)) there are [redacted] phoenix missiles that are not operational

cave there are [redacted]

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hakim [redacted] and by the way, [redacted] has given me the list of spare parts and in his opinion, this is a move that can resolve the question of all the hostages because hashemi-rafsanjani is interested personally in this.

[redacted]

hakim: [illegible] he has told him a few times.

C 10455

secor[illegible]'s interested in what--the [redacted] missiles?

hakim: [illegible]e spare parts and repairing ((word missed)).

[redacted]

hakim: [illegible]) upon the release of the two ... immediately foll th[illegible]words missed)) to go to work ((two words missed)) phoenixes and bring some of the ?parts? with them. ((few words missed.)) The 1500 tows ... they do not necessarily have to have them right away because they have now enough to operate.

secord: ((few words missed.)) Does he have some other points? because I have a lot of questions--unless you want to discuss them now.

hakim: ((interprets))

secord: on phoenix missiles, if [illegible]ave [redacted] phoenix missiles at isfahan, guess is that uou don't n[illegible]ny spare parts--or you may only nee a few spare parts--and yo[illegible]ghtly point out what you need is one or two technicians, proba[illegible]t lease two technicians for differe functions within ...

cave: do they have the calibrat[illegible]equipment?

secord: they did have. i put it [illegible]here.

cave: that's what i wanted to ask you ((few words missed))

secord: they had the hawk missile building and test equipment. we all p it ... i don't know if it's still there. not hawk, but phoenix. i've got hawks on the brain.

[redacted]

((round of exchanges missed.))

hakim: ((interprets)) he says all the calibration [illegible] is there.

north: does it work?

hakim: ((interprets))

[redacted]

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secord: he doesn't know

hakim: ((interprets)) he says the air force has told him they are ther but

SECORD: THEY HAVE A LIST OF SPARE PARTS FROM THE AIR FORCE, BUT I DON'T

TRUST THE AIR FORCE, BECAUSE WE WERE JUST STARTING TO TRAIN THE HOMAFARS IN THIS FIELD, AND NONE OF THEM WERE any THEY WERE NO ((two words missed)) YOU KNOW, THEY WERE NOT REAL PROFICIENT NONE OF THEM WERE.

HAKIM: ((INTERPRETS FOR [redacted]).

C 10456

SECORD: [illegible]Y GUESS IS THAT YOU HAVE BIG PROBLEMS IN THE FIRE [illegible]NOL S[illegible]--THE AWG-9 FIRE CONTROL SYSTEM--radar and fire [illegible]trol on [illegible]airplane.

HAKIM: [illegible]INTERPRETS FOR [redacted]).

SECORD: [illegible] then, [illegible]urse, you UNDOUBTEDLY have PROBLEMS WITH THE [illegible]ILES [illegible]LVES, BECAUSE THEY require a lot of care. [illegible] said you need at least two technicians. [illegible] are different kinds of ((word missed)) they [illegible]bly need six. I HAVE NOT SEEN THE LIST OF SPARE PARTS YOU TALK ABOUT, BUT I WOULD NOT... I DON'T IMAGINE IT'S A VERY GOOD LIST is what i'm trying to say. i could look at it, but it wouldn't mean anything to me. i WOULD NOT BE INCLINED TO SAY IT'S A VALID LIST UNTIL EXPERT TECHNICIANS LOOK AT ((word missed)).

HAKIM: ((INTERPRETS FOR [redacted]

[redacted]((MISSED))

hakim: ((interprets)) he says w[illegible]n't you get your expert ((few words missed)) tuesday.

secord: but i must ((few words mi[illegible])) to leave before tuesday. this is big problem for us. we w[illegible] have to do some organizing. I ALSO BELIEVE THAT THERE ARE A [illegible]OF SPARE PARTS IN THE DEPOT AT ISFAHAN AND IN DOSHANTAPE[illegible]ot in doshantapeh but in what's the name of that place ne[illegible] doshantapeh? the air force logist uh . there's a special name for it . but anyway, between THESE TWO SITES, THESE TWO DEPOTS, I AM CERTAIN THAT THERE ARE MA MANY SPARE PARTS WHICH THEY CAN NOT IDENTIFY BECAUSE their automa logistics systems just shut down.

HAKIM: ((INTERPRETS FOR [redacted]).

SECORD: AND THEN FINALLY I WOULD SAY THAT IF YOU HAD [redacted] MISSLES, GOOD TECHNICIANS COULD CANNIBALIZE AND MAKE OPERAT[illegible] SOME MISSILES VERY QUICKLY--IF YOU HAD GOOD TECHNICIANS

HAKIM: ((INTERPRETS FOR [redacted]

?north?: ((missed))

secord: at minimum ((few words missed)) there a[illegible]fferent M O S 's involved in this area. i don't [illegible] words missed)). they're great missiles, but t[illegible] compl[illegible]ed

cave: ((missed))

secord: well we'd have to go to hughes, i think, and find . some volunt ((few words missed)). well, i'm coming to my bottom line now

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C 10457

north: ?where's? the answer?

secord: there isn't any easy answer.

north: sure there is.

secord: what is it?

north: get them all back and ... the big problem, dick, is that anything between now and the ((few words missed)).

secord: that's what i'm coming to. WHAT I'M TRYING TO SAY TO [redacted] IS THAT THIS IS NOT A SIMPLE PROBLEM THAT CAN BE FIXED OVERNIGHT. IT'S GOING TO TAKE A LITTLE BIT OF time.

cave: wouldn't it be better to bring them out?

secord: it might be.

north: bring what out? the missiles?

secord: it might be better to bring some out, but ...

north: yeah, but then you can't ((word missed)) ... we've got to bring the airplanes out too. ?calibrated on the bird?.

secord: i'm saying it's not a simple problem, and the white house is goin to have to authorize us to send in some technicians, and then we' got to go through these steps before we do it.

HAKIM: ((INTERPRETS FOR [redacted]

SECORD: ((PORTION MISSED)) it's TECH SUPPORT for HAWKS we were TALKING ABOUT, but you KNOW, I'M SURE THE PRESIDENT WOULD AUTHORIZE US TO with them IF WE GOT OUR THREE PEOPLE. But we're going to have to OUR THREE PEOPLE. Right or wrong?

NORTH: YEAH, THAT'S EXACTLY THE PROBLEM.

SECORD: TO PUT IT ANOTHER WAY, [redacted] YOU GIVE ME THE THREE PEOPLE TOMORROW AND BY NEXT WEEK WE'LL PROBABLY HAVE SOME PEOPLE IDENTIFIED to do this work.

HAKIM: ((INTERPRETS FO[redacted]). ((THEN hakim and north speak a few sentences which cannot be heard.))

hakim: our agreement is to send ... step six ... ?more? hawk ... ((few words missed)). they want to change ((two words missed)). follo

north: well yeah, but step five above that ...

hakim: it has nothing to do with ?phoenix?. ((sentence missed)) they ar making a change—step six is the hawk. they want to have phoenix but then we change our position--we send also technicians who can do that, and then ... but we want three. follow me?

SECORD: well you're SAYING THE SAME THING I JUST SAID, WHICH IS I THINK THE PRESIDENT WILL AUTHORIZE US to DO SOME TECHNICAL WORK--WE'VE ALWAYS TALKED ABOUT THIS, IF WE GET OUR THREE PEOPLE BACK. THAT'S WHY I SAID, "you GIVE ME

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THE THREE PEOPLE TOMORROW, AND I'LL BET YOU HE'LL SAY okay go get SOME TECHNICIANS next week

C 10458

hakim: is it okay if i say it the way i said it? he would understand it better.

NORTH: T[illegible]EM I'VE GOT IS THE WHOLE DAMN appearance of [illegible] ... bodies. I MEAN, IF WE'RE REALLY [illegible]CERE AB[illegible] THIS WHOLE FRIGGIN THING, WHAT WE OUGHT TO [illegible] DOING IS, [illegible]EY OUGHT TO BE EXERCIZING EVERY POSSIBLE [illegible]OUNT OF LEVERAGE THEY'VE GOT TO GET THOSE PEOPLE OUT, [illegible]D WE AGREE THAT AS SOON AS THEY'RE OUT, WE CAN DO ALL [illegible]NDS OF GOOD THINGS, BECAUSE THAT'S WHERE WE'RE [illegible]ading?, [illegible] will have? A FRIGGIN FMS CONTACT ?team? [illegible] THERE[illegible]T WE'RE TRYING TO DO IS TO close the bridge [illegible]HIS SECRET SHIT, AND GET ON WITH THE REAL RE[illegible].

HAKIM: ((INTERPRETS FOR [redacted]

NORTH: YOU KNOW, WHEN WE WERE IN TEHRAN, okay, FOULED UP THOUGH IT MAY HAVE BEEN, IF YOU LOOK AT THE DOCUMENT THAT I WROTE AND MCFARL WAS PREPARED TO SIGN, YOU WILL SEE THAT THAT'S WHAT WE WERE TALKIN ABOUT WAY BACK THEN, WAY BACK IN MAY--is to get BEYOND THE HOSTAGES and GET ON WITH A FORMAL RELATIONSHIP

HAKIM ((INTERPRETS FOR [redacted]

NORTH: EVERYTHING WE HAVE DONE [illegible] THE VERY FIRST CONTACT, WHETHER IT B STEP BY STEP OR WHETHER [illegible] ALL AT ONCE, THAT'S WHERE WE'VE BEEN TRYING TO GO.

HAKIM: ((INTERPRETS FOR [redacted]

NORTH YOU GUYS DON'T TRUST US, [illegible] WE DON'T TRUST YOU, AND SO WE END UP DOING IT A LITTLE BIT AT [illegible]TIME, and it takes forever

HAKIM ((INTERPRETS FOR [redacted]

cave: ((to [redacted] in persian)) when i wrote this ((word missed)) we ?agreed? with regard to technicians for the hawk missile fine. now, it is our opinion that there will be no problem with regard to technicians for the phoenix. but this is a new thing.

[redacted] no. ((inaudible.))

cave: no. there was no problem.

[redacted] ((talks for about a minute. inaudible

?cave? ((inaudible))

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?second? money?

?cave? ((portion missed)) .. have got four million.

?second? millions of dollars.

hakim: i happen to be the agent who ?sold them? ((few words missed))

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?nobody asks?.

?north? how much were they?

hakim: uh. c.?.. chicago ?area? industries.....c.a. ((then starts to tal[illegible]ian to [redacted] north interrupts))

north: [illegible]orit[illegible]any. it is!

C 10459

((seco[illegible]d hakim talking at the same time.))

hakim: [illegible]ll, at that time, it was about....close to two million dollars [illegible]ew words [illegible]ed))

secord: [illegible] ABOUT THE LONG FOCAL length camera.

hakim: rig[illegible]

secord: that's NOT WHAT'S HE'S TALKING ABOUT.

NORTH: but SEE, YOU DON'T KNOW UNTIL YOU ACTUALLY GO OUT THERE AND ((FEW WORDS MISSED)).

SECORD: IS HE TALKING ABOUT THE INTEGRAL SYSTEM--THE SYSTEM IN THE NOSE (THE AIRPLANE?

HAKIM ((asks [redacted] what sys[illegible]e is talking about. [redacted] does know. cave asks if he is [illegible]ing about "oblique." north interrupts.))

NORTH WE CAN GO JUMP THROUGH OU[illegible] AND GET YOU A camera THAT WILL COS A MILLION DOLLARS, OR WHA[illegible], AND IT WILL TURN OUT TO BE THE WR (expletive) camera.. the[illegible]ry ((interpreting)) that one'

HAKIM ((INTERPRETS FOR [redacted]

[redacted]

HAKIM HE IS NOT NEGOTIATING this...

NORTH: I UNDERSTAND THAT.

HAKIM: he is just advising. HE'S SAYING THE SAME WAY THAT YOU ARE TELL ME, WHAT ARE THE THINGS THAT WOULD OPEN THE WAY FOR YOU IN THE UNITED STATES, I AM PASSING ON TO YOU THE WAY THAT WOULD OPEN THE WAY FOR ME AND FOR [redacted] to do things. i [illegible]m that nobody wants me to pass this....for instance[illegible] not going be ?costing you a thing? to send these guys[illegible] not trying to save some money. if you don't raise the[illegible]he cost of these technicians, that is going to create [illegible]osphere, it can not be....

secord: we haven't talked about cost of technicians[illegible]

NORTH YOU KNOW, WHEN WE GO AND DO SOMETHING LIKE THAT, THE[illegible]N'T GOI TO BE A cost for it. I KNEW EXACTLY WHAT THE THREE THINGS YOU WERE GOING TO TALK ABOUT WERE. YOU KNOW WHY? BECAUSE ANOTHER EMI FROM IRAN HAS ALREADY TOLD OUR GOVERNMENT THAT. THAT'S EXACTLY THREE THINGS THAT WERE RAISED WITH US TWO WEEKS AGO.

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HAKIM: ((INTERPRETS FOR [redacted]

NORTH: i'm telling you, WE'RE SO CLOSE TO HAVING DONE THE RIGHT THING--YOU AND I AND [redacted] AND THE MEN IN THIS ROOM. AND YET WE'RE GOING TO FOUL IT UP; I CAN SEE IT COMING

HAKIM: ([illegible] FOR [redacted]).

C 10460

second[illegible] old th[illegible] is a year ago.

NORTH: [illegible] HAVE KNOWN FOR OVER A YEAR, THAT YOU NEED TECHNICAL HELP. AND WE [illegible]VE OFFERED CONSTANTLY TO SEND IT. GO BACK AND READ THE DOCUMEN [illegible]T I WROTE IN TEHRAN IN MAY.

HAKIM: [illegible]TERPRE[illegible]R[redacted]).

NORTH: A[illegible]T TO GOOD [redacted] OR WHATEVER THE HELL HIS NAME IS, I GAVE IT TO HIM. it's in that one.

CAVE: ((UNINTELLIGIBLE))

NORTH: WHEN WE WERE IN TEHRAN, ALL MCFARLANE SAID WAS, "LOOK. WE DON'T W YOU GUYS TO LOSE THE WAR; WE WANT AN HONORABLE SETTLEMENT. AND AL YOU HAVE TO DO IS USE YOUR INFLUENCE TO GET THOSE HOSTAGES OUT, A WE'RE GOING TO DO ALL KINGS OF THINGS FOR YOU." IN FACT, HE SAID "DON'T LIMIT YOURSELF TO [illegible] THIS. THERE IS MUCH, MUCH MORE THA COULD BE DONE. THE HOSTAG[illegible]AVE TO GET BEyond US ... we have to ge beyond them.

HAKIM: ((INTERPRETS FOR [redacted]

((time out for tea))

[redacted]

HAKIM: ((INTERPRETS)) THEY ARE CONVINCED THAT we have ??good intentions?? HE HAS SAID IT BEFORE. HE SAID, "AFTER THINGS BROKE UP IN IRAN, AND YOU left and then ?yet? you sent this STUFF, THAT INDICATED TO THE IRANIANS THAT THE AMERICANS HAVE good ((few words missed)). he has brought this up. but he says, in other words he's saying he knows that we have ??good intentions??

NORTH: so HOW THE HELL DO WE GET FROM WHERE WE ARE TODAY TO WHERE WE'VE TO GO?

HAKIM: ((INTERPRETS FOR [redacted]).

[redacted] and hakim talk for a while in persian))

HAKIM: ((INTERPRETS)) HE SAYS A COUNTRY LIKE THE [illegible]ED STATES--A SUPERPOWER- is it not in their power to s[illegible] technicians tuesday? i said, "yes it is. [illegible]hem on monday, we can send then on sunday." [illegible]... that [illegible] why i wanted a few minutes... THEN I SAID, "[illegible]MAM LIKE [illegible] KHOMEINI--THE FIRST SHIAH IMAM for the [illegible] government-- of shi'ahs in the world-- HE DOESN'T HAVE THE POWER OF GOING TO LEBANON AND TELLING THOSE ASSHOLES TO RELEASE THE THREE HOSTAGES? SUCH A GREAT RELIGIOUS POWER?"

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north: and his answer was?

hakim: "NO. HE DOESN'T know the details." I SAID, "WELL, OUR PRESIDENT DOESN'T the details." I'M TRYING TO MAKE THE POINT THAT IT'S THE WRONG ATTITUDE TO SIT BACK there and say THE [illegible] STATES IS A SUPERPOWER, AND we FORGET THAT T[illegible] A SUPER RELIGIOUS COUNTRY. IT'S VERY EQUAL.

NORTH: [illegible], it i[illegible]d THE INFLUENCE THAT THE IMAM HAS OVER [illegible]SE WHO HOLD THE HOSTAGES IS near total.

C 10461

HAKIM: [illegible] COURSE. HE CAN GET THOSE PEOPLE BACK WITH ONE WORD, ONE WORD. [illegible]M CONVINCED. IT'S no bullshit. i think...he can. he can.

HAKIM: [illegible]ERPR[illegible]R [redacted])

[redacted] and hakim talk in persian))

HAKIM: ARE YOU GOING TO STICK TO THE PAPER THAT YOU GAVE THEM IN MAY, IF YOU GET THE HOSTAGES BACK?

NORTH: SURE. AND YOU notice that paper ALSO TALKS ABOUT "ALL OF THE HOSTAGES," ALL THE HOSTAGES, ALL TERRORISM STOPS. that paper talks about that.

HAKIM: I UNDERSTAND. BUT YOU ARE [illegible]ARED TO STICK TO YOUR PAPER OF MAY?

NORTH: OF COURSE.

HAKIM: ((INTERPRETS FOR [redacted]

north: this sticks to that paper[illegible]at's part of that.

second: i don't know if he's seen[illegible].

HAKIM: i'm trying to make a poin[illegible] [redacted] just trying to help

((hakim and [redacted]) talk in persian.))

hakim: you gave him a copy and he has read it?

NORTH: YEAH. AND THERE IS STILL A COPY THERE IN TEHRAN

HAKIM: yeah, he has read it.

second. has he read our proposal on the da'wa prisoner[illegible] don't know if seen it.

hakim: ((interprets)).

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[redacted]

hakim: yeah, he liked it. he saw it.

[redacted]

hakim: ((interprets)) he said he liked the approach that you gave the pa
he quoted it. ((few words missed)) you could have insisted that
you wanted to give the paper after ((few words missed)). he said
these things open the way. very important. i said: "we are will

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how can we tell you?"

second we have some more information on the da'wa prisoners . that sam h

NORTH IT was not just GIVING YOU A PIECE OF PAPER. WE HAVE ALREADY STAR

CAVE (([redacted])) WE'VE TAKEN ACTION.

HAKIM [redacted]ERPRE[redacted] [redacted]

C 10462

HAKIM [redacted] explaining to him one american ((word missed)). if he
[redacted]eaning an american)) says, "maybe i can ?do
[redacted]ething?," he has studied the situation thoroughly
[redacted]ore he s[redacted]aybe. they ((the americans)) told you
[redacted]an)) n[redacted]ys... in two days they have the goddamn
[redacted] IF THESE PEOPLE ((the americans)) HAVE
GI[redacted]S LIST OF THE 17 GUYS. YOU CAN BET YOUR ASS
THAT [redacted] HAVE STUDIED IT AND EXAMINED IT AND THEY ARE
TAKING STEPS.

NORTH: I HAVE ALREADY MET WITH THE KUWAITI foreign MINISTER, SECRETLY.

HAKIM: ((INTERPRETS FOR [redacted]

NORTH: IN MY SPARE TIME BETWEEN blowing up nicaragua. ((LAUGHS))

SECORD WE HAVE ALSO GOTTEN A SPE[redacted] REPORT... sam has... on the prisoners.
and some interesting info[redacted]on... like they haven't been visited,
which is ridiculous.

((CAVE AN[redacted]CON[redacted] IN PERSIAN. UNINTELLIGIBLE.))
((secord and north talk a[redacted] their drinks. two conversations
going on at once.))

north what are we talking about[redacted]

cave we were just going over

second ((interrupts)) he's all over the area

cave the experts and ?everything? ((few words missed)) what's
really needed is a group of people to go out there . they've
got all kinds of problems

NORTH WELL, OF COURSE THEY DO. I TOLD them THIS A Y[redacted]GO.
LOOK, LET ME TELL YOU SOMETHING. THE PROBLEM--JUS[redacted]O WE ALL
UNDERSTAND IT--IS IF A VISIBLE EFFORT IS MADE [redacted] UNITED STATE:
GOVERNMENT WHEN THERE'S A LONG LIST OF HOSTAGE[redacted] HELD IN
LEBANON, THIS PRESIDENT IS GOING TO GET STONED [redacted]
[redacted]

second and by his own people.

NORTH YOU KNOW. IT JUST AIN'T GOING TO HAPPEN [redacted] is
going to be visible

CAVE ((INTERPRETS FOR [redacted]

[redacted]

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CAVE: HE SAYS YOU GUYS DON'T KNOW WHAT YOU'RE TALKING ABOUT HE SAYS, " [redacted] JUST sold us SOME RADARS AND THEIR TECHNICIANS ARE IN TEHRAN NOW, WORKING ((few words missed.))

NORTH: I KNOW. BUT IT WASN'T DONE WITH THE AUTHORITY OF THE [redacted] GOV[illegible]

HAKIM: [illegible] OR [redacted]

C 10463

[redacted] [illegible] yes it was. how could it be that ((few words missed))

cave: [illegible]nterprets)) he says, "i don't want to say this, you know, [illegible] destroy what we're doing."

north: [illegible]

cave: wh[illegible]ame of the radar...?

north: [redacted]

[redacted] the [redacted] told us, "we will come with the cover story that we are installing the radars [redacted] to ((word missing)) the russians. of course, we will come and install them for you ?adjacent to? iraq. ((portion missed)).

cave: ((interprets)) ((inaudibl[illegible]

NORTH: yeah, but, again, the [redacted] GOVERNMENT IS NOT AN ACTIVE PARTICIP THE [redacted] GOVERNMENT DI[illegible]...

CAVE: but the other thing ((few [illegible]s missed)) is the [redacted] know ((few words missed))

north: that's true

cave: and he says that their (([illegible]nder missed)).

north: that's true.

secord: what did he say about the kuwaiti prisoners? he wasn't interested in what you had to say?

cave: he had no comment.

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secord: he ought to have a comment.

north: ?that's why? i spent seven days trying to put [illegible]ing together.

((during the above exchange between cave, se[illegible] [illegible]orth, hakim and [redacted] were talking in the bac[illegible]und[illegible] cave continues talking quietly to north and [illegible]ord [illegible]st o? what he says is inaudible.))

[redacted]

1 page
C 10464

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NORTH [redacted]

CAVE

NORTH

CAVE

C 10465

CAVE ((INTERPRETS UNINTELLIGIBLE.))

NORTH AND THE [redacted] WILL KNOW IF WE SEND TECHNICIANS IN--TECHNICAL EXPERTS. THEY'LL BECOME AWARE OF IT.

CAVE ((INTERPRETS FOR [redacted] MAKES ADDITIONAL COMMENTS TO [redacted] AND EXPLAINS TO NORTH W [redacted] E HAS TOLD [redacted] ONLY SNATCHES OF WHICH WERE INTELLIG))

NORTH WHEN MCFARLANE WAS IN ... and MY FRIEND [redacted] [redacted] WAS THERE. MCFAR KEPT SAYING THINGS LIKE, "LOOK, PUT THIS BEHIND DON'T LIMIT YOURSELF TO THESE SMALL LITTLE THIN THINK BIG. THINK BEYOND THE HOSTAGES. THINK ECONOMI THINK OF ALL KINDS OF WAYS IN WHICH WE CAN HE OU, NOT JUST [redacted] PHOENIX MISSILES. that's nothin ink big. anD THAT'S THE IMPORTANT THING TO DO. E CAN'T THINK BIG WHEN WE'VE GOT THAT STARING

[redacted]

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hakim he wants to get to the last issue

cave he wants us to look into the ((word missed))

north i will, i will

((CHATTER ABOUT north NEEDING AN ASPIRIN, north [illegible] the room.))

SECORD TELL HIM THAT IF HE JUST GOES OUT TOMORROW [illegible] NEXT DAY AND GRABS THOSE THREE GUYS OUT OF LEBANON, WE [illegible] IN AND REBUILD HIS GODDAMN AIR FORCE. I BUILT [illegible] CE [illegible] L GO BACK IN AND BUILD IT AGAIN. THAT WAS MY BABY. I [illegible] AIR FORCE--FOUR AND A HALF YEARS on it.

HAKIM ((INTERPRETS FOR [redacted]

SECORD YOU SEE THAT TAKES THE HEAT OFF THE PRESIDENT when you do that. WE CAN GO OUT HERE AND RECRUIT PEOPLE AND SAM CAN HELP US FIND SOME PEOPLE-- PEOPLE WHO HAVE RETIRED FROM THE MILITARY, PEOPLE WHO ARE IN INDUSTRY.

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HAKIM: ((INTERPRETS FOR [redacted]

SECCRD WE'LL SAY THEY'RE SWISS OR SOMETHING, YOU KNOW, AND IT'S NOT A PROBLEM. BUT IT TAKES TIME

CAVE: ((I[illegible]TS FOR [redacted])).

[illegible]LE CHATTER. north returns.))

[redacted]

cave: [illegible] i forgot about those. 22 chincoks that are embargoed ((few wor [illegible]issed)) already paid for ((few words missed)).

north: [illegible]t's [illegible] it's true.

second: [illegible]rect story, only i think it's only eight that are paid for. I GUARANTEE HIM THAT IF HE LETS US SEND A COUPLE OF LOGISTICS EXPERTS INTO THEIR DEPOT, WE'LL FIND A BILLION DOLLARS WORTH OF STUFF THEY DON'T KNOW THEY'VE GOT--IN TWO WEEKS.

C 10466

CAVE: ((INTERPRETS FOR [redacted]

north: save you a lot of money

SECCRD we HAD .. the IRANIAN A[illegible]ORCE was THE MOST WELL-SUPPLIED AIR THE WORLD HAS EVER SEEN[illegible] 1979.

north: better than ours.

second: oh, much better. they [illegible]three years' of supply--combat rates on every line item.

NORTH: HOW ARE YOU GOING TO FI[illegible]ARG ISLAND?

HAKIM: ((INTERPRETS FO[redacted]

NORTH: HOW ARE YOU GOING TO PROVIDE HOUSES this winter?

[redacted]

HAKIM: HE SAYS THAT'S NOT AN ISSUE because THEY ARE NOT GOING TO PRODUCE MORE THAN TWO MILLION BARRELS A DAY.

north: why? OPEC?

[redacted]

hakim: ((interprets)) he says the experts know [illegible] ([illegible]words misse

NORTH: BUT THAT'S BECAUSE THERE HASN'T BEEN AN[illegible]ORAT[illegible]ON done s THE WAR STARTED.

HAKIM: ((INTERPRETS FOR [redacted]

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[redacted]

HAKIM: EVEN THE SHAH COULD NOT PRODUCE MORE THAN FOUR MILLION ((FEW WO

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MISSED))

cave: ((few words missed)) produced five and a half million a day.

north: yeah; but he's talking about for export--you're right. one and [redacted]ayed home and four went out.

secord: was lifting five and a half million a day.

north: true. four million for export and one and a half ...

hakim: ((interprets))

hakim: s)) ?but? seven and a half million breaks down to w words missed)).

SECORD: THE POINT IS THAT--AS I'VE BEEN TELLING THESE GUYS FOR OVER A Y NOW--A FEW WELL-PLACED TECHNICAL EXPERTS, IN WHATEVER FIELD ?THEY'RE? TALKING ABOUT, is WORTH MORE MONEY THAN THEY COULD EVER SPEND ((FEW WORDS MISSED)).

HAKIM ((INTERPRETS FOR [redacted]))

north: you know, it is real i[redacted]nt to get these guys hot on getting ((few words mis)). it ought not to all fall to him. you know THERE N IMPORTANT POINT ON THE TECHNICAL teams, AND TH S: THAT ISSUE--IT'S JUST LIKE THE MCFARLANE Trip HAT WILL BECOME PUBLIC.

HAKIM: ((INTERPRETS FOR [redacted]))

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secord: we told him that while were out.

NORTH: WE WANT TO MAKE SURE TH E CAN DO IT RIGHT, AND THAT IT'S NOT GOING TO COST ANYTHING to put these people over there--it won't cost you anything. but because of the RISK OF THAT BECOMING PUBLIC, WE CAN'T DO THAT while these other guys are still being held.

HAKIM: ((INTERPRETS FOR [redacted])).

NORTH: IT'S TIME FOR YOU GUYS TO TAKE A CHANCE.

????: I don't think ((few words missed)).

north: sure it is.

hakim: they just don't want to get their imam (([illegible] wor[illegible]issed)) he could do . . just like that ((snaps fing[illegible] [illegible] are too lazy--that's it. they just don't want [illegible]

north: it's a political risk.

cave: ((interprets for [redacted]

[redacted]

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hakim: ((to secord in persian)) mr. secord, when are you going to ira cave: ((in persian)) is it an official invitation?

secord: iran?

hakim: ((in persian)) when are you going?

[redacted] [illegible]e sixth step.

hakim: [illegible]few wo[illegible]issed))

SECORD: ((few words missed)) no, but WE HAVE THE GUY who... I'VE ALREADY RECRUITED THE GUY WHO [redacted]

HAKIM: [illegible]TERPR[illegible] [redacted]

secord: [illegible]e just retired from the army.

((knock at door.))

north: whoa, whoa, whoa, whoa, whoa--who's that? who is that? [redacted]

((someone calls, "who is it?"))

secord: look through the hole.

((hakim calls t[redacted]leaves room. chatter about a chinese restaur[illegible]))

secord: what's [redacted] doing here[illegible]

hakim: [redacted] asked him to come.

C 10468

secord: why?

HAKIM: gentelmen, [redacted]S RUNNING THE SHOW?

NORTH: WHO THE ((EXPLETIVE)) IS [redacted]

HAKIM: okay, i'm glad you asked. HIS LAST NAME IS [redacted] HE OWNS this SHIPPING COMPANY. HE'S THE ONLY GUY IN TOWN--IN TEHRAN--WHO CAN STILL PROVIDE WOMEN, WINE, AND DANCING AND OPIUM. HE PROVIDES MONEY ...

CAVE: ((UNINTELLIGIBLE.))

HAKIM: HE IS THERE NOW.

SECORD: WHERE IS THE BASTARD?

HAKIM: HE'S IN TEHRAN AND HE'S GOING TO [redacted] [illegible]ll kinds of things for the iranian governm[illegible] AFRAID THAT HE'S BEING kicked OUT OF T[illegible]AL, AND[illegible] turns [redacted] against me, he turns [redacted] [illegible]t the t[illegible] ... he does all kinds of things. he i[illegible]igger in the ...

north: the woodpile.

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hakim: right.

north: ((missed))

cave: well there had to be one of those.

SECORD: [illegible] WHILE YOU WERE OUT OF THE ROOM THAT HE WAS [illegible]VE THE PROBLEM OF THE THREE HOSTAGES. [illegible]ght? h[illegible]d it again. BUT WE DON'T KNOW HOW.

NORTH: [illegible] DON'T CARE HOW RIGHT NOW.

SECORD: [illegible] DON'T CARE HOW EITHER. EXCEPT I HAVE SOME DOUBT THAT HE WILL.

HAKIM: [illegible] CA[illegible]T. I KNOW THAT.

NORTH: [illegible] KNOW. YOU SAID IT YOURSELF. THE ONLY THING THAT WAS NECESSARY IS FOR THE IMAM TO MAKE VERY CLEAR TO PEOPLE...

HAKIM: AND the SITUATION IS ripe FOR THEM TO DO IT.

CAVE: what i don't understand is ((word missed)) [redacted] HAS TO ((few wor missed)).

secord: I didn't know that they [redacted] ?saying? ...

?hakim? [redacted] is staying here?

north: NO. [redacted] going [redacted]

CAVE: [redacted] HOW'S HE GOI[illegible] DO IT FROM [redacted] HOW'S HE GOIN get THOSE GUYS RELEASED[illegible]

hakim: he's supposed to have t[illegible]oddamn thing out.

secord: by friday?

hakim: pardon me?

secord: the day after tomorrow he's supposed to have them out?

hakim: ((word missed.)) he's supposed to also to have ((remainder of sentence missed)).

secord: ((missed))

north: i thought i had a copy of the original agr[illegible]rom tehran.

cave: there have been so many agreements ...

north: no no no, there was only one of those.

secord: yeah, but that was never an agreement.

cave: i remember that; i wish i would have [illegible]en the e[illegible]h, then i could have translated, ?or [redacted] could have translated, into fa

north: i think she did a very good job, given it was both ((few words missed)).

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hakim: ollie, if you got the three hostages back, how many shish would you be prepared to eat ((few words missed))?

north: i'd eat shish till the cows come home. i'm willing to go.

(([illegible]ter))

cave: [illegible] of shish! you know, there's a chinese restaurant [illegible]t loo[illegible]e a dive in frankfurt, and there's a sign ((few [illegible]ords mis[illegible] in farsi "ghazaye irani."

secord: [illegible]here, in frankfurt?

north: [illegible]at's gh[illegible] irani mean?

cave: [illegible]

secord: are [illegible] going to eat tonight, or are we just going to ...

north: i'm going to eat, i'm going to eat. you guys can sit around and ((expletive)) all you want. I am going to go eat.

cave: where are you going to go? ((few words missed)) chinese food.

north: i don't care what i eat, [illegible] going to eat. i have not eaten yet today.

hakim: what in the hell was th[illegible] few words missed))?

north: that wasn't eating. th[illegible]s standing up on the ((word missed)) my idea ((few words mis[illegible]).

cave: do you have an extra env[illegible]e?

north: do i have an extra enve[illegible] what do you want to put in it?

cave: ((few words missed)). [illegible]but i've got to get back

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north: i've got photographs of T-72 tanks ...

((chatter in background))

north: hey guys, i've got to go home and tell the boss something. what do i tell him? no deal?

?hakim?: wh[illegible] are you talking about?

secord: no, no, no, no, no. we're getting our two [illegible] weekend. we're not ... I'd like to see us [illegible]t[illegible] though. the thing that befuddles me is I [illegible] UNDERSTAND WHY IT'S NOT EASIER FOR THEM TO [illegible]AB THREE IN ONE STROKE.

NORTH: I DON'T EITHER.

HAKIM: BECAUSE, I THINK...YOU WANT AN ANSWER? BECAUSE they [illegible]'t have enough ... you see they do not want TO USE KHOMEINI. IF YOU put that aside--that they DON'T WANT TO USE THE BIG GUN.

north: wait a minute. khomeini ...

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hakim: if they use khomeini, they can do almost anything as far as the shia is concerned.

secord: if they send an order to the revolutionary guard to get them, th[illegible]

HAKIM: [illegible]OW WHERE THEY ARE. they know ((few words missed))

CAVE: [illegible]EY KNOW [illegible]E THEY ARE.

HAKIM: [illegible]O. THEY KNOW WHO'S got THEM.

secord: [illegible]EY KNOW [illegible]E THEY ARE, TOO, i'll bet you. YOU THINK [illegible] B[illegible]N'T KNOW WHERE THEY ARE?

NORTH: [illegible]OCK OF CRAP; THEY KNOW EXACTLY WHERE THEY ARE.

HAKIM: in fact at ONE POINT THEY OFFERED TO give us... tell us where ?they are?.

NORTH: WELL, I'LL TAKE THAT deal right now.

SECORD: why don't they GIVE US TWO AND THE LOCATION OF THE THIRD ONE?

NORTH: NO. GIVE US THREE AND TH[illegible]CATION OF THE OTHER THREE.

hakim: ((laughs))

north: i mean really— THERE'S [illegible] AMERICANS MISSING, gang. SIX.

SECORD: i think YOU YOURSELF KN[illegible]AT THE PALESTINIANS ARE INVOLVED IN OF THIs action.

NORTH I THINK THAT THE LIBYANS [illegible] PROBABLY INVOLVED IN THE LAST THREE, BUT I DON'T KNOW [illegible]W WORDS MISSED.))

SECORD: SO THEY MAY WELL BE TELLING THE TRUTH WHEN THEY SAY THAT THEY DON'T KNOW WHERE THEY ARE.

CAVE: THAT ONE GUY WAS AS NUTTY AS A FRUITCAKE.

NORTH: I GRANT YOU THAT. ANYBODY WOULD ((FEW WORDS MISSED.))

cave: but they're certainly involved in those oth[illegible]

((few exchanges missed))

NORTH. we THINK THAT THERE was a contract job do[illegible]

((end of minitape))

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Chapter 14, Footnotes 166-167, 312 245 264-267

3 February 1987 C

MEMORANDUM FOR THE RECORD

SUBJECT: FRANKFURT TAPES

14-264/6267

TO: Charles Allen
NIO Counterterrorism
CIA [redacted]

1. (TS NF) Accompanying this memo are the transcripts of tapes numbered A-11 through A-15 inclusive obtained during the 29-30 October 1986 meetings of U.S. and Iranian negotiators in Frankfurt.

2. (TS NF) There now remain just five tapes requiring transcription, those numbered A-16 through A-19, inclusive, plus one mini-cassette. Transcripts for these will be forwarded as completed.

[redacted]

[redacted]
Declassify On: Originating Agency's Determination Required

Partially Declassified/Released on 1/26/88
under provisions of E.O. 12356
by B. Reger, National Security Council

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&. 14 #166-167

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((TAPE A11))

C 313

([redacted] AND ANOTHER PERSIAN, APPARENTLY [redacted] [redacted] CONVERSING. ONLY ISOLATED WORDS AND PHRASES CAN BE UNDERSTOOD. HAKIM IS NOT PRESENT.))

((END TAPE A11))

((TAPE A12))

([redacted] AND ANOTHER PERSIAN, [redacted], CONVERSING. ONLY ISOLATED PORTIONS CAN BE UNDERSTOOD. CALL MADE TO HOTEL SWITCHBOARD TO FIND OUT WHETHER A TELEX HAD BEEN RECEIVED FROM TEHRAN. ANOTHER CALL ORDERING BREAKFAST FOR ROOM [redacted] HAKIM ARRIVES. HAKIM MAKES A PHONE CALL. ASKS FOR A MR. SCHNEIDER. SCHNEIDER NOT AVAILABLE; HAKIM TALKS TO SOMEONE ELSE (THIS CALL IS ON THE "B" TAPES RECORDED DURING THESE MEETINGS.) LATER, PHONE RINGS AND [redacted] TALKS BRIEFLY TO SOMEONE IN PERSIAN. BREAKFAST ARRIVES.))

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((END TAPE A12))

((TAPE A13))

((CONTINUATION OF BREAKFAST CONVERSATION BETWEEN HAKIM, [redacted] AND [redacted] TELEVISION ON. ONLY ISOLATED PORTIONS CAN BE UNDERSTOOD.))

((END TAPE A13))

((TAPE A14))

((TAPE BEGINS WITH PARTICIPANTS APPARENTLY GETTING READY FOR THEIR MEETING. SOMEONE OPENS THE WINDOW. VOICES IN THE DISTANCE, PROBABLY IN AN ADJOINING ROOM. SOUNDS LIKE THE MAID IS CLEANING UP THE ROOM. SOMEONE CHATS BRIEFLY WITH HER IN ENGLISH. [redacted] AND [redacted] CHAT. U.S. PARTICIPANTS BEGIN TO ARRIVE. THEN:))

SECORD: TWO THINGS WE WANT TO TALK ABOUT. WE WON'T SPEND MUCH TIME. BUT TWO THINGS ARE VERY IMPORTANT.

CAVE: ((INTERPRETS))

SECORD: ?HE/WE? SAID THAT IRAN, THE COUNTRY, IS NOW RUN LIKE SHAREHOLDING-DIFFERENT GROUPS SHARING POWER.

CAVE: ((INTERPRETS))

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SECORD: OUR GROUP, WHICH IS THE PRESIDENT AND HIS MEN, ARE VERY CONCERNED

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AS TO WHETHER OR NOT WE ARE INDEED DEALING WITH THE GOVERNMENT OF IRAN. THEY RECOGNIZE THAT THERE ARE DIFFERENT FACTIONS; YET THEY STILL QUESTION WHETHER WE'RE DEALING WITH THE TOP.

CAVE: ((INTERPRETS))

SECORD: THIS EXERCISE THAT WE'VE RUN THROUGH THE PAST SEVERAL WEEKS ABOUT GETTING THE MONEY INTO THE BANK, INTO OUR SYSTEM SO WE CAN GET THE TOWS, HAS BEEN WORSE THAN A ((WORD MISSING)). IT'S BEEN TERRIBLE, AND THE IMAGE CREATED BACK IN WASHINGTON IS WHAT WORRIES ME.

CAVE: ((INTERPRETS))

SECORD: JUST AS IN ANY BIG COUNTRY, THE PRESIDENT GETS INFORMATION FROM MANY OF HIS DEPARTMENTS--HIS INTELLIGENCE PEOPLE, INFORMATION PEOPLE, SENIOR ADVISORS. A NUMBER OF ADVISORS TO THE PRESIDENT THINK THAT WE'RE CRAZY--WE MUST BE CRAZY.

CAVE: ((INTERPRETS))

SECORD: SO MAYBE SAM AND I AND NORTH CAN UNDERSTAND SOME OF THIS BECAUSE WE LIVE WITH IT. BUT OTHERS CANNOT. IT JUST DOES NOT MAKE SENSE; IT'S NOT LOGICAL. I WANT TO MAKE THIS PROCESS A REASONABLE, LOGICAL PROCESS.

CAVE: ((INTERPRETS))

((PHONE RINGS. [redacted] TALKS WITH SOMEONE IN PERSIAN BRIEFLY ABOUT CLEARING UP THE PROBLEMS WITH THE ACCOUNT NUMBER.))

CAVE: ((PORTION INAUDIBLE)). THEY'VE GOT EVERYTHING MOVING. ((PORTION INAUDIBLE)).

SECORD: I GUESS THAT'S GOOD NEWS. THIS, OF COURSE, WOULD BE ONE VERY IMPORTANT STEP IN CREATING THE KIND OF SITUATION WE WANT TO CREATE WHICH IS ONE OF MUTUAL TRUST. IF WE CANNOT DEVELOP IN THE NEXT FEW WEEKS A CONDITION WHERE WASHINGTON AND TEHRAN HAVE AT LEAST SOME TRUST IN ONE ANOTHER, WE'LL FAIL.

CAVE: ((INTERPRETS))

SECORD: TILL WE PREPARE TO GO FORWARD, TILL WE GET READY TO MOVE FORWARD, YOU NEED TO GET THE MONEY FROM EUROPE HERE SOME PLACE, SO YOU HAVE YOUR HANDS ON IT, SO IT CAN BE RELEASED WITHIN A DAY OF THE TIME THAT WE AGREE TO TAKE ANOTHER STEP. WE NEED TO HAVE THE MONEY ALL RIGHT HERE WITHOUT ANY STRINGS ON IT SO WE DON'T HAVE TO GO THROUGH THIS JOKE AGAIN.

CAVE: ((INTERPRETS))

SECORD: NOW, WHAT WE'RE CONCERNED WITH IS NOT THE MONEY ITSELF, BUT BACK HOME IN WASHINGTON PEOPLE SAY IF YOU ARE DEALING WITH THE IRANIAN GOVERNMENT, THEN THREE MILLION DOLLARS, ?FOUR MILLION?, IS NOTHING. YOU MUST NOT BE DEALING WITH THE GOVERNMENT.

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CAVE: ((INTERPRETS))

SECORD: THE NEXT POINT IS RELATED TO THIS POINT. AND THIS HAS TO DO WITH

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CAVE: ((INTERPRETS))

SECORD: [redacted] IS A BIG SECURITY PROBLEM. YOU YOURSELF HAVE TOLD US THAT YOU WANT TO KEEP HIM IN ONE SMALL AREA.

CAVE: ((INTERPRETS))

SECORD: [redacted] IS A SECURITY PROBLEM OF BIG PROPORTIONS ON THE TELEPHONE. HE BELIEVES, FOR INSTANCE ON THE TELEPHONE. HE BELIEVES THAT HE HAS TO KNOW EVERYTHING. HE WAS VERY UPSET THAT WE DELIVERED THESE TOWS WITHOUT COORDINATING WITH HIM FIRST.

CAVE: ((INTERPRETS))

SECORD: HE TALKS ON THE TELEPHONE ALL THE TIME. [redacted] [redacted] WATCHES HIM CAREFULLY. SAM CAN EXPLAIN MORE ON THIS.

CAVE: ((INTERPRETS))

SECORD: [redacted] TOLD ME SOME TIME AGO THAT HE DID NOT KNOW GHORBANIFAR. HE HAD HEARD OF HIM BUT DID NOT KNOW HIM. THAT IS FALSE. [redacted] HE HAS MET WITH GHORBANIFAR. WE KNOW THIS TO BE TRUE.

CAVE: ((INTERPRETS))

SECORD: WE DO NOT NEED ANOTHER GHORBANIFAR. WE WILL NOT ACCEPT ANOTHER GHORBANIFAR. Incredible that Secord only inveighs against Ghorba

CAVE: ((INTERPRETS))

SECORD: WE HAVE NO OBJECTION TO BUSINESSMEN MAKING MONEY. THAT'S GOOD. WE DON'T CARE ABOUT THAT. IT'S NOT IMPORTANT TO US. WHAT'S IMPORTANT TO US IS SECURITY.

CAVE: ((INTERPRETS))

SECORD: NOW, I HAVE A SUGGESTION, BECAUSE WE DO NOT WISH TO CREATE PROBLEMS WE WANT TO GET OUR HOSTAGES OUT; WE DON'T WANT A LOT OF NOISE, A LOT OF TALK. SO WE'LL TALK WITH [redacted] HERE FOR THE NEXT FEW DAYS. BUT WHEN WE GET PAST THIS NEXT STEP, WE WANT TO SEE [redacted] OFF TO ONE SIDE.

CAVE: ((INTERPRETS))

SECORD: I WOULD LIKE TO HEAR HIS OPINION NOW. I HAVE NOTHING MORE TO SAY ON THAT. HAS HE FINISHED WHAT HE WAS GOING TO SAY? PERHAPS WE COULD HEAR HIS OPINION.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) ((INAUDIBLE))

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[redacted]

CAVE: ((INTERPRETS)) HE SAYS, ON THE QUESTION OF MONEY, HE SAYS, LOOK I JUST GOT INVOLVED IN THIS A FEW MONTHS AGO AND I DON'T KNOW ((PORTION MISSED)) ABOUT THE FINANCIAL ((FEW WORDS MISSED)).

[redacted]

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HE SAYS, I DON'T KNOW ONE ((LARGE PORTION MISSED.)) TO TEHRAN, AND THEY ACCEPT THAT, THE FACT THAT THIS HAS BEEN A PROBLEM, AND THEY'LL WORK IT OUT.

[redacted]

CAVE: ((INTERPRETS)) HE SAYS WHAT THEY'VE BEEN TRYING TO DO IS TO SET UP AN ACCOUNT WHICH WOULD BE UNDER [redacted] CONTROL AND TO HAVE 40 MILLION DOLLARS IN IT SO THAT WE CAN, WHEN THEY GO ?THROUGH WITH THE TRANSACTION?, WE CAN ((FEW WORDS MISSED)).

[redacted]

CAVE: ((INTERPRETS)) HE SAYS ((THERE ARE)) SO MANY ((FEW WORDS MISSED)) THAT FROM THE TIME THEY START SOMETHING ((FEW WORDS MISSED)) ?IT TAKES? AT LEAST 8 OR 9 WORKING DAYS TO GET THROUGH ALL THE VARIOUS BANK ((FEW WORDS MISSED)) IN GETTING BACK TO THE BANK-E SADERAT.

SECORD: BUT THEY GIVE [redacted] MONEY, THEN THAT WILL RESOLVE ((FEW WORDS MISSED)). IT WON'T BE A PROBLEM.

CAVE: ((MISSED)).

[redacted]

CAVE: HE SAYS, "I WANT TO TALK TO YOU ABOUT THE PROBLEM OF [redacted] AND I WANT TO TALK TO YOU ABOUT THE PROBLEM OF [redacted], NOT ONLY [redacted] BUT IN THE CONTEXT OF ALL THE OTHER ?IRANIANS? THAT ARE INVOLVED IN THIS, BECAUSE ((PORTION MISSED)) A BAD SITUATION.

SECORD: IN OTHER WORDS, HE AGREES WITH ME.

[redacted]

CAVE: ((INTERPRETS)) ((INAUDIBLE))

((SEVERAL EXCHANGES INAUDIBLE)).

[redacted]

CAVE: ((INTERPRETS)) [redacted] HAS TOLD EVERYTHING ?HE KNOWS? TO ?[redacted]? ((PORTION MISSED)).

((QUALITY OF TAPE HAS DETERIORATED FURTHER. CAVE AND [redacted] ALMOST TOTALLY INAUDIBLE.))

CAVE: HE SAYS THAT ONE OF THE PROBLEMS THAT HE HAS WITH [redacted] IS THAT ((PORTION INAUDIBLE)) AND HE SAYS, "I HONESTLY DON'T KNOW HOW TO HANDLE IT."

SECORD: I HAVE A SOLUTION FOR THAT PROBLEM.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) ((INAUDIBLE))

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((END OF TAPE A14))

((TAPE A15))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS IF YOU'LD ((TWO WORDS MISSED)) FROM THE TIME HE LEFT AND WENT BACK THE LAST TIME. HE SAYS HE HAD TEN CALLS FROM [redacted] ASKING WHERE HIS MONEY WAS.

SECORD: MY SUGGESTION IS THAT WE SIMPLY TAKE [redacted] OUT OF THIS LOOP. HE WORKS FOR US. WE GOT HIM ENGAGED TO START WITH BECAUSE WE NEEDED SOMEONE THAT HAD CONTACT WITH [redacted] AND, THROUGH [redacted] WITH THIS GROUP.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS, ?TRYING ONLY TO SET? HIM ASIDE, THAT'S NOT REALLY THE MAJOR PROBLEM. THE PROBLEM IS THAT BECAUSE OF HIS BAD FINANCIAL SITUATION, ALL OF HIS PROPERTIES IN TEHRAN WERE ?SEQUESTERED? ((FEW WORDS MISSED)) SOMETHING'S GOT TO BE DONE TO HELP HIM OUT FINANCIALLY, AND HE IS NO POSITION TO DO IT BECAUSE ((FEW WORDS MISSED)) BACK HOME.

SECORD: THAT IS OUR RESPONSIBILITY; WE'LL TAKE CARE OF IT.

CAVE: ((INTERPRETS))

SECORD: IN THE FUTURE WE MAY BE ABLE TO FIND SOME WORK FOR HIM ON THE SIDE. MAYBE HE CAN LOOK AT SOME OF THE PEOPLE WE SELECT AS TECHNICIANS OR HELP WITH ADMINISTRATIVE THINGS. WE WILL NOT ((WORD MISSED)) HIM ON POLITICAL ((WORD MISSED)). BUT WE CAN PUT HIM ASIDE.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT YOU ARE ABSOLUTELY CORRECT WHEN YOU TALK ABOUT [redacted] BEING ((FEW WORDS MISSED)) AND BEFORE WE GOT INVOLVED WITH HIM, HE WAS INVOLVED IN THE [redacted] THING. WE DIDN'T [redacted] THAT, AND YOU KNOW THAT THE [redacted] WERE VERY INTERE[redacted] IN HIM BECAUSE OF THIS, WHICH MAY BE ALSO HOW HE GOT TO [redacted] GHORBANIFAR

SECORD: POSSIBLY BECAUSE GHORBANIFAR WAS VERY CLOSE TO ((WORD MISSED)).

[redacted]

CAVE: ((INTERPRETS)) THEY KNOW NOTHING ABOUT HIS CONTACTS WITH GHORBANIFAR. HE HAS NEVER SAID ANYTHING TO THEM ABOUT IT. AND HE SAYS IF WE'VE GOT ANY EVIDENCE, THEY WOULD BE VERY INTERESTED IN HAVING IT BECAUSE THEY WOULD PURSUE IT ((FEW WORDS MISSED)).

SECORD: I THINK THE EVIDENCE WE GOT, [redacted] DID WE NOT?

CAVE: ((INTERPRETS))

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((SEVERAL EXCHANGES MISSED))

CAVE: ((INTERPRETS)) HE SAYS ALBERT IS TRYING TO PUSH THIS TOO FAST. ANI HE'S AFRAID THAT IT MIGHT BE ?DISASTROUS? ((FEW WORDS MISSED)).

SECORD: WHAT IS HE TRYING TO PUSH TOO FAST, THE RELATIONSHIP OR THE HOSTAGES?

CAVE: BASICALLY THE WHOLE RELATIONSHIP. HE'S TRYING TO MAKE IT GO TOO FAST.

SECORD: BECAUSE WE HAVE PLACED ALBERT UNDER PRESSURE ON THE HOSTAGES. BECAUSE WE THINK THAT IF WE GET AT THEM QUICKLY....

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) ((PORTION MISSED)) HE SAYS, I CAN'T DO THIS. HE SAYS, ALBERT IS ((WORD MISSED)) THE ADVISOR, BUT I HAVE TO ((WORD MISSED)) TEHRAN, COORDINATE THIS WHOLE THING WITH THE VARIOUS GOVERNMENT ORGANIZATIONS ((PORTION MISSED)).

[redacted]

CAVE: ((INTERPRETS)) ((UNINTELLIGIBLE))

[redacted]

CAVE: ((INTERPRETS)) ((PORTION MISSED)) HE SAYS ALBERT IS ((WORD MISSED ?PROPOSING? THINGS THAT HAVEN'T BEEN DISCUSSED WITH US. AND HE SAYS HE DOESN'T ((FEW WORDS MISSED)).

[redacted]

CAVE: ((INTERPRETS)) ((UNINTELLIGIBLE)).

((EXCHANGE MISSED))

((PHONE RINGS)) SECORD TELLS PARTY "WE'LL BE FINISHED IN FIVE MINUTES. JUST WAIT RIGHT WHERE YOU ARE."

SECORD: NORTH WANTS TO TALK. LET'S FINISH THIS.

[redacted]

CAVE: ((INTERPRETS)) ((PORTION MISSED)). HE SAYS THIS THING HAS GOT TO BE DONE BY ((WORD MISSED)).

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[redacted]

CAVE: ((INTERPRETS)) HE SAYS, "WELL WHY DIDN'T THEY TELL ME THIS?" AND HE SAID, "WELL, THEY CAN'T OFFICIALLY TELL YOU THESE THINGS. BUT ?I CAN BE? UNOFFICIAL ((FEW WORDS MISSED)).

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SECORD: THIS IS OUR FAULT, I SUPPOSE. AND IT'S A COMMUNICATIONS PROBLEM WHICH WE MUST SOLVE OR ALBERT, OR ANYBODY ELSE, WILL NOT BE ABLE TO DO OTHER THAN MAKE PHONE CALLS.

CAVE: ((INTERPRETS))

SECORD: IF [redacted] IS GOING TO BE THE EXECUTIVE IN CHARGE, AND IF WE CAN MEET WITH HIM FREQUENTLY HERE IN EUROPE, THAT WILL GO A LONG WAY TOWARDS SOLVING THE COMMUNICATIONS PROBLEM.

CAVE: ((INTERPRETS))

SECORD: AND, OF COURSE, THE SECURE COMMUNICATIONS...

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) WHAT HE'S SUGGESTING IS THAT BECAUSE THERE'S GOING TO BE AN AWFUL LOT OF TELEPHONING THE NEXT COUPLE OF DAYS, HE WOULD OF COURSE LIKE TO TAKE THAT THING BACK, BECAUSE THEY'VE ALREADY ?GOT? A COUPLE OF DEDICATED TELEPHONE LINES ((FEW WORDS MISSED)) THAT THEY CAN USE FOR ((FEW WORDS MISSED))

[redacted]

CAVE: ((INTERPRETS)) WHAT HE'S BRINGING UP IS HE SAYS THAT ANOTHER THIN THAT WOULD BE GOOD ((PORTION MISSED)) CHANGING THE SITUATION, BUT HE SAID, "WHAT WE REALIZE IS AFTER TALKING TO YOU IS THAT WE NEED TECHNICIANS. WE'VE GOT TO HAVE PEOPLE ((FEW WORDS MISSED))," AND HE SAID, "I'D LIKE TO MOVE AS FAST AS POSSIBLE ON THIS" ((FEW WOR MISSED)) HE CONTACTED YOU. HE SAID, "THAT'S WHY I SUGGESTED THAT SOMETIME NEXT YEAR YOU LET A TECHNICIAN IN, IT WOULD BE GREAT.

SECORD: FINE. LET US ... WE WILL TALK TO OUR PEOPLE ABOUT THIS TODAY AND COME BACK TO THAT SUBJECT LATER TODAY.

CAVE: ((INTERPRETS))

SECORD: THE GOOD SOLUTION, OF COURSE, TO THIS PROBLEM IS FOR THE COMMUNICATIONS STATION TO BE SET UP ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS))

SECORD: [redacted].. THAT'S THE REAL SOLUTION.

[redacted]

CAVE: ((INTERPRETS)) OK, WHAT HE'S SAYING IS THAT "YEAH, THAT'S FINE, AND AS SOON AS WE GET THE TWO HOSTAGES OUT, WE'LL GET THE ?PHONE CALL?." THE PROBLEM WE'RE GOING TO HAVE WITHIN THE NEXT FEW DAYS ...

SECORD: I UNDERSTAND THAT, I AGREE WITH THAT.

CAVE: THEY DON'T WANT ... IT'S TOO MUCH. THEY WOULD LIKE TO HAVE A SECURE WAY OF TALKING TO US.

SECORD: LET'S HE AND I WORK ON THIS PROBLEM.

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CAVE: ((INTERPRETS))

SECORD: NOW, ALBERT TOLD ME AT THE BEGINNING--HE TOLD ALL OF US--HE DID NOT WANT TO BE INVOLVED IN THESE POLITICAL DISCUSSIONS. HE SAID, "I'M A BUSINESSMAN. I DON'T WANT TO BE INVOLVED IN POLITICAL DISCUSSIONS." BECAUSE OF HIS LANGUAGE CAPABILITY AND BECAUSE OF HIS ASSOCIATION WITH ME--SAM CAN'T BE EVERYWHERE ALL THE TIME--WE HAVE HAD TO USE ALBERT. HE HAS NOT WANTED TO BE IN THIS ROLE, AND HE'S NOT COMFORTABLE IN THIS ROLE.

CAVE: ((INTERPRETS))

SECORD: AND HE WANTS TO BE FINISHED. NOW WE WILL GET SOME MORE PROFESSIONALS INVOLVED IN THIS AS WE GET THIS PROCESS ORGANIZED. WE'RE SO SHORT OF PEOPLE RIGHT NOW; IT'S TERRIBLE.

CAVE: ((INTERPRETS))

SECORD: AS SOON AS THE PRESIDENT TELLS US TO MOVE AHEAD, I'M SURE THAT SAM AND I CAN GET THE RIGHT PEOPLE INVOLVED IN THIS.

CAVE: ((INTERPRETS))

SECORD: AND NOW ?NORTH? NEEDS TO TALK ABOUT BEIRUT AND DAMASCUS. I'M NOT SURE ((FEW WORDS MISSED)).
((PHONE RINGS)) SECORD SAYS TO PARTY ON PHONE, "OKAY, I THINK WE'RE ON THE RIGHT ROAD NOW. BE RIGHT DOWN."

[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT ALBERT REALLY DOESN'T UNDERSTAND THE PROBLEMS ((FEW WORDS)) BACK IN TEHRAN, AND THAT'S PART OF THE PROBLEM.

((KNOCK ON THE DOOR))

?NORTH? ARE YOU FINISHED?

SECORD: JUST TWO MINUTES.

?NORTH? TWO MINUTES?

SECORD: YEAH. ((THEN, SPEAKING TO [redacted]) NOW, WE HAVE NOT SOLVED THAT PROBLEM, AND WE CAN COME BACK TO THIS LATER, BUT WE AGREE IT'S A PROBLEM. IS THAT CORRECT?

CAVE: ((INTERPRETS))

SECORD: SO WE AGREE? NOW NORTH WANTS TO TALK TO YOU ABOUT THE HOSTAGES AND HOW WE COORDINATE--YOUR GOVERNMENT AND OUR GOVERNMENT. I THINK THIS IS VERY IMPORTANT; I WOULD LIKE TO GO GET HIM. LET ME GO GET HIM.

CAVE: ((INTERPRETS))

((CAVE AND [redacted] CHAT IN PERSIAN. INAUDIBLE. NORTH ARRIVES

NORTH: GOOD MORNING.

CAVE: I'VE GOT A COUPLE OF THINGS TO SAY TO YOU.

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SECORD: BEFORE WE START?

CAVE: YEAH. UNDER NO CIRCUMSTANCES DO THEY WANT ANY CREDIT FOR RELEAS THE HOSTAGES.

NORTH: NOTHING SAID ABOUT IRAN.

CAVE: NOTHING SAID ABOUT IRAN. THEY THINK THE BEST THING TO DO IS TURN THEM OVER TO THE SYRIANS, LET THEM RELEASE THEM, AND THEN SAY SOMETHING ABOUT HUMANITARIAN ((FEW WORDS MISSED)). CONSIDERING WHAT HAS HAPPENED ABOUT THE MCFARLANE VISIT, IF PRESIDENT REAGAN CAME OUT WITH A STATEMENT THANKING IRAN, IRAN WOULD CONTRIBUTE TC THE ((WORD MISSED)) CONDITIONS CREATED BY BRINGING OUT IN THE OPE THE MCFARLANE VISIT. ((FEW WORDS MISSED)).

SECORD: BUT IF THE PRESIDENT SIMPLY SAYS HE WISHES TO THANK THOSE FRIENDL GOVERNMENTS WHO HAVE CONTRIBUTED TO THIS ...

CAVE: HUMANITARIAN ((WORD MISSED)).

SECORD: JUST A GENERAL STATEMENT WITHOUT IDENTIFYING ((FEW WORDS MISSED))

CAVE: ((INTERPRETS))

SECORD: I THINK WE SHOULD JUST HOLD IT TO THIS GROUP HERE UNTIL WE GET THIS DOWN.

((PORTION INAUDIBLE.))

SECORD: ALBERT, WHAT WE'D LIKE TO DO IS JUST LET THE THREE OF US DEAL WITH THEM ON HOW WE'RE GOING TO COORDINATE THIS BEIRUT-DAMASCUS THING.

((MUTTERING IN THE BACKGROUND; ALBERT LEAVES THE ROOM.))

CAVE: WHILE YOU WERE OUT, HE HAD A CALL FROM TEHRAN ABOUT THE ?HOSTAGES? AND THEY'VE BEEN ?TRYING TO? RELEASE ((ONE OR TWO WORDS MISSED)) BY SUNDAY AFTERNOON.

?NORTH?: ((WORD MISSED))

CAVE: DAMASCUS. THE OTHER THING HE'S SAYING IS THAT BECAUSE OF THE FACT THAT THEY'RE GOING TO HAVE TO BE ON THE TELEPHONE COORDINATING ?AL THIS?. AND THAT POSSIBLY ?THEY? WON'T HAVE A SECURE VOICE SYSTEM. ((PORTION MISSED)).

NORTH: MY INSTRUCTIONS ARE NOT TO TURN IT OVER UNTIL WE'VE GOT...

CAVE: WELL, WE DON'T HAVE ALL THE PARTS TO IT

NORTH: NO. WE GOT TWO SITTING UP IN..

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CAVE: I DON'T GIVE THEM THE.. WE DON'T HAVE THE ((FEW WORDS MISSED)).

NORTH: IT'S IN GENEVA. WELL THEY CAN GET 'EM. ALL YOU HAVE TO DO IS, JUST ENTER THE CODES. BUT I HAVE TO GET THEM OUT OF GENEVA.

SECORD: WELL, [redacted]IKE TO HAVE A CAUCUS WITH THE THREE OF US ON THIS

CAVE: CIW0606 ((EXPLAINS TO [redacted] THAT THEY MAY NOT BE ABLE TO

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PHONE))

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[redacted]

CAVE: ((INTERPRETS)) WHAT HE WANTS TO KNOW NOW IS--EXPLAIN TO HIM HOW YOU WOULD LIKE TO HAVE THE HOSTAGES HANDLED, AND HE'LL SEE IF IT'S POSSIBLE FOR THEM TO DO IT THAT WAY.

[redacted]

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2 pages
C-323 to C-324

DENIED IN
TOTAL

14-269

See Hearing Exhibit OLN-201

14-270

See Hearing Exhibit OLN-316

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Fa 14-271+272

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TAPE A3

C 292

(MEETING AT MAINZ, W. GERMANY, 29-30 OCTOBER 1986)

HAKIM: ((INTERPRETS IN PERSIAN)) AND IF THEY ARE NOT SUCCESSFUL, THEY WILL LEAVE THIS CHANNEL; THEY WILL PURSUE ((WORD MISSED)) CHANNEL. IF THEY DON'T GIVE THEM A ((POSITIVE)) REPORT BY SUNDAY, THEY WILL ABANDON THIS ROUTE.

AVE: ((IN PERSIAN)) I'D LIKE TO ADD SOMETHING. SINCE ((FEW WORDS MISSED)) FOR SEVERAL MONTHS, WE KNOW THAT IF WE DO NOT COMPLETE THIS, ALL THE ((FEW WORDS MISSED))

AVE: ((IN ENGLISH)) I TOLD THEM THAT ((FEW WORDS MISSED)) IF WE ARE NOT SUCCESSFUL, AND THIS CHANNEL IS ((FEW WORDS MISSED)), THEN ALL THIS WORK WE'VE DONE ...

ORTH: AND IT WILL TAKE A YEAR ...

AKIM: ((INTERPRETS IN PERSIAN)) HE WAS EXPLAINING THAT IF WE ARE NOT SUCCESSFUL, NOT ONLY WILL THIS GROUP'S WORK COME TO AN END AND ((FEW WORDS MISSED)), BUT GROUPS IN THE FUTURE WHICH WANT TO MAKE CONTACT WILL USE THIS AS AN EXAMPLE--THAT IRANIANS ?ARE NOT RELIABLE?. THIS WILL BE STUDIED.

[redacted] & HAKIM:

AVE: ((IN PERSIAN--UNINTELLIGIBLE))

ECORD: WHAT NORTH IS GETTING AT IS WE ARE GOING DOWN IN THE STEPS NOW--THE NINE POINTS. WE'RE GOING TO VERY QUICKLY. WE EXPECT THEM TO ?MOVE? VERY QUICKLY SO THAT WE CAN MOVE TO THE NEXT STEP, AND THE NEXT STEP, AND THE NEXT STEP AND THERE WON'T BE ANY OPPOSITION.

AKIM: ((INTERPRETS))

Partially Declassified/Released on 1/28/92
under provisions of E.O. 12356
by B. Reger, National Security Council

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[redacted]

AKIM: ((INTERPRETS)) IF YOU DON'T HAVE ANY MORE ISSUES ON YOUR SIDE, HE LIKES TO LET ME EXPLAIN WHAT'S HAPPENING ON THEIR SIDE

ORTH: WELL, I DO WANT TO HEAR THAT. LET ME JUST MAKE ONE POINT ABOUT THAT... HE ((HAKIM)) WORKS FOR ME--YOU ((DAVE)) TRANSLATE THIS--HE WORKS FOR ME AS A CONSULTANT; I DON'T KNOW THE FARSI WORD FOR CONSULTANT, BUT AS A PART-TIME CONTRACT EMPLOYEE.

AVE: ((INTERPRETS))

ORTH: HE HAS BEEN THIS FOR FOUR, FIVE YEARS, FOR ME SINCE I HAVE BEEN AT THE WHITE HOUSE--IN THE PRESIDENT'S OFFICE. HE DOES TRANSLATIONS. THE VOA BROADCASTS IN FARSI, WHICH YOU ASKED FOR AND WE GAVE. HE TRANSLATED THOSE FROM MY ENGLISH TO FARSI

AVE: ((INTERPRETS))

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SECORD: AND IF WE FAIL, WE'RE GOING TO SHOOT HIM, BECAUSE SOMEBODY HAS TO GO. LIKE IN IRAN, SOMEBODY HAS TO BE SHOT.

HAKIM: ((INTERPRETS))

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NORTH: I DON'T BELIEVE IT THAT ((WORD MISSED)) SAID THAT.

CAVE: ((IN PERSIAN)) MR. NORTH AND I ARE LUCKY. THEY WON'T SHOOT US, WE'LL JUST GO TO JAIL.

CAVE: ((INTERPRETS IN ENGLISH))

NORTH: FIRED.

SECORD: THE PRESIDENT MAY SHOOT NORTH.

HAKIM: OK. HE WANTS TO EXPLAIN HIS CASE.

[redacted]

HAKIM: ((INTERPRETS)) I HAVE ADDRESSED THIS ISSUE EARLIER ?THAT? HE'S BRINGING UP. HE WANTS TO CLARIFY HIS POSITION THAT PEOPLE BACK HOME BELIEVE THAT A LOT OF TIMES HE TALKS ABOUT THINGS WHICH HE SHOULD NOT TALK ABOUT. THEREFORE, IT IS VERY IMPORTANT THAT WHATEVER HE TELLS US SHOULD NOT GET INTO THE OFFICIAL CHANNELS AND GET BACK TO ?THEM? BECAUSE THAT WOULD MAKE LIFE MISERABLE FOR HIM AND DIFFICULT FOR HIM. HE HAS NO FINANCIAL INTEREST ((FEW WORDS MISSED)) ONE OBJECTIVE IS TO MAKE SURE THAT THIS THING IS GOING TO ((FEW WORDS MISSED)). HE HAS FULL TRUST IN THIS GROUP ESPECIALLY IN GENERAL SECORD. HE HAS BEEN VERY TRUTHFUL WITH HIM, VERY HELPFUL, AND HE WANTS TO SEE THAT SOMETHING GOOD IS GOING TO COME OUT OF THIS. THEREFORE, PLEASE, WHATEVER HE DISCUSSES SHOULD NOT LEAVE THIS ROOM SO HE WILL FEEL COMFORTABLE TO BE ABLE TO GET BACK TO US ((TRAILS OFF)). I DISCUSSED THAT EARLIER THIS WEEK ((FEW WORDS MISSED)).

[redacted]

HAKIM: ((INTERPRETS)) HE SAYS YOU HAVE TO UNDERSTAND THAT IRAN JUST FINISHED ((FEW WORDS MISSED)) AND SETTING IMAM KHOMEINI ASIDE, THE COUNTRY IS MANAGED BY SHAREHOLDING ((WORD MISSED)) AND ONCE YOU PUT KHOMEINI ASIDE, THERE ARE A NUMBER OF PEOPLE INVOLVED.

[redacted] AND HAKIM:

HAKIM: ((INTERPRETS)) THERE ARE THREE BASIC GROUPS OF THIS SHAREHOLDING COMPANY. THEY ARE MINOR SHAREHOLDERS. ONE IS THE RADICALS, AND THEY ARE ((WORD MISSED)) RADICAL AND ((WORD MISSED)) RADICAL WITHIN THE SAME ... THEN THE THIRD GROUP IS THE RIGHT-WING AND THEN THERE'S TWO ((FEW WORDS MISSED)) WHO IS HEADED BY HASHEMI-RAFSANJANI, AND NOT ONLY DO THEY FOLLOW THEIR OWN LINE, BUT THEY ARE ALSO THE CONNECTION IN BETWEEN THE FIRST AND THE THIRD GROUP.

[redacted]

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((SECORD MAKES A PHONE CALL, BLOCKING OUT MOST OF SEVERAL MINUTES OF DISCUSSION BETWEEN THE U.S. AND IRANIAN TEAMS))

[illegible]

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HAKIM: ((INTERPRETS)) HE WANTS YOU TO UNDERSTAND THAT THE PRINCIPLE ... THESE THREE GROUPS HAVE THE SAME OBJECTIVE AND THEY ALL AGREE IN THE SAME WAY; WHEN IT COMES TO ACTUAL EXECUTION, THEY HAVE DIFFERENT APPROACHES. AND THEY ARE NOT PURELY POLITICAL ((FEW WORDS MISSED)) RELIGIOUS ((FEW WORDS MISSED)).

[redacted]

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HAKIM: ((INTERPRETS)) AS YOU PROBABLY KNOW, IMAM KHOMEINI HAS ISSUED DECREES ((FEW WORDS MISSED)).

[redacted]

HAKIM: ((INTERPRETS)) IN PUBLIC OPINION HE ((RAFSANJANI)) IS CONSIDERED THE SECOND MAN, SECOND IN COMMAND, BASICALLY BECAUSE OF THESE ((WORD MISSED)).

[redacted]

HAKIM: ((INTERPRETS)) WHEN [redacted] RAISED THE ISSUE OF ESTABLISHING RELATIONS WITH THE U.S., HE WAS IN FAVOR OF IT, BUT FOR HIS OWN POLITICS HE DECIDED TO GET ALL THE GROUPS INVOLVED AND GIVE THEM A ROLE TO PLAY.

NORTH: WAIT A MINUTE, WHO'S 'HE?'

HAKIM: RAFSANJANI.

[redacted]

HAKIM: ((INTERPRETS)) HE WANTS YOU TO KNOW WHO [redacted] IS. [redacted] WORKS FOR [redacted]. [redacted] BELONGS TO THE RADICAL GROUP, THE RADICAL GROUP THAT THEY WERE THE UNIVERSITY STUDENTS WHO TOOK THE HOSTAGES IN IRAN. THAT'S THAT GROUP.

[redacted] AND HAKIM:

HAKIM: ((INTERPRETS)) WHEN [redacted] CONTACTED [redacted] IN THIS APPROACH TO ESTABLISH A RELATIONSHIP WITH THE U.S., HE, [redacted] ASKED FOR REPRESENTATIVES OF THE THREE GROUPS TO BE PRESENT AND PARTICIPATE IN THIS ACTION, AND ((TWO WORDS MISSED)) SUPPORT. IN OTHER WORDS THIS IDEA OF HAVING ALL GROUPS PARTICIPATE IN THIS IS NOT NEW, IT DATED BACK A LONG TIME AGO. AND STILL HE'S GOING TO EXPLAIN MORE AND STILL STICKING TO IT

[redacted]

HAKIM: ((INTERPRETS)) THIS ISSUE AS YOU CAN VERY WELL UNDERSTAND IS VERY SENSITIVE. [redacted]

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[redacted]

HAKIM: ((INTERPRETS)) THIS APPROACH OF [redacted] WAS A DOUBLE-EDGED SWORD--AND POSITIVE AND NEGATIVE POINTS ... THE POSITIVE POINT BEING THAT IF IT WOULD BE A FAILURE AND ALL PARTIES ARE INVOLVED SO THERE WOULD NOT BE AN INTERNAL WAR; AND THE NEGATIVE PART IS THAT BECAUSE DIFFERENT VIEWS AND OPINIONS ARE UNDER THE SAME ROOF,

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IT'S VERY DIFFICULT TO MANAGE.

: SOUNDS LIKE HOME. C 295

: ((INTERPRETS IN PERSIAN. LAUGHTER.))

: THE DIFFERENCE IS, IF THIS ONE FAILS, ONLY I GET FIRED. ((LAUCHS))

: ((INTERPRETS IN PERSIAN))

[redacted]

I: ((INTERPRETS)) HE DOESN'T WANT TO GET INTO DISCUSSING THIS, BUT ALL THESE EFFORTS LED TO THE VISIT OF MCFARLANE, WHICH WAS CONSIDERED A TOTAL FAILURE, AND THE REASON FOR THAT--YOU CAN ANALYZE IT YOURSELF--((FEW WORDS MISSED)) YOU CAN CONSIDER ((FEW WORDS MISSED)) AND THEIR ANALYSIS SHOWS OPPOSITION IN THE U.S.--ALL THESE ISSUES CAUSED ?IT TO FAIL?.

[redacted] & HAKIM:

1: ((INTERPRETS)) [redacted] HAD TOLD HIM THAT THE ISRAELIS ARE PARTICIPATING AND HE SAID THAT HE DIDN'T KNOW FROM THE BEGINNING AND JUST FOUND OUT, AND THAT CREATED A LOT OF . . .

[redacted]

1: ((INTERPRETS)) A COMBINATION OF MANY THINGS THAT CAUSED THAT ((FEW WORDS MISSED)). I ASKED HIM HOW DID YOU KNOW ABOUT THE ISRAELIS? [redacted] BROUGHT IT . . .

SD: BUT [redacted] ONLY RECENTLY BROUGHT IT . . . .

M: ((INTERPRETS FOR [redacted]))

[redacted]

M: ((INTERPRETS)) AFTER THE CAT WAS OUT OF THE BAG, I JUST FOUND THAT HE WAS ?TRYING TO? ((FEW WORDS MISSED)) I JUST FOUND OUT IF ((FEW WORDS MISSED)).

[redacted]

M: ((INTERPRETS)) [redacted] IS PORTRAYING THAT GHORBANIFAR HAS A HELL OF A LOT OF INFLUENCE WITH US ((THE AMERICANS)), STILL, AND STILL [redacted] IS PUSHING FOR GHORBANIFAR, SAYING THAT WE SHOULD KEEP GHORBANIFAR IN THIS BECAUSE HE IS A SECURITY VALVE FOR US. IF SOMETHING SHOULD GO WRONG WITH THIS CHANNEL, WE CAN ALWAYS TURN GHORBANIFAR ON AND HE CAN FIX THINGS.

[redacted]

IM: ((INTERPRETS)) HE SAYS SINCERELY [redacted] BELIEVES--IT'S HIS HONEST OPINION, IT'S NOT A BIASED OPINION--THAT GHORBANIFAR CAN DO, UNOFFICIALLY, THINGS THAT HE CANNOT DO OFFICIALLY.

((HAKIM SAYS THAT ONE OF THE IRANIANS IS COLD. DOOR IS SHUT, WINDOW CLOSED.))

[redacted] UNCLASSIFIED ~~NOFORN~~

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HAKIM: ((INTERPRETS)) HE HAS TOLD [redacted] THAT 'YOU ARE WRONG.' AND HE GOES AND SEES THE AMERICANS. HE GOES WITH YOUR NAME AND AT YOUR STRENGTH—HE HIMSELF HAS NO STRENGTH WITH AMERICANS--((FEW WORDS MISSED)) BUT GHORBANIFAR HAS A LOT OF INFLUENCE WITH AMERICANS.

NORTH: HE HAS NO INFLUENCE WITH AMERICANS. I MEAN WE'RE THE AMERICANS TO BE TALKED TO.

HAKIM: ((INTERPRETS))

[redacted]:

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HAKIM: ((INTERPRETS)) HE IS USING GHORBANIFAR AS THE ?QUALITY? PERSON. ((FEW WORDS MISSED)) THE FACT THAT GHORBANIFAR WAS THE ONE WHO PLANNED [redacted]

SECORD: ((TO NORTH)) [redacted]

NORTH: HMM.

HAKIM: ((CONTINUES INTERPRETING)) AND HE ALSO PROMISED THE IRANIANS THAT HE WOULD CAUSE [redacted] NOT TO MAKE ONE MOVE. AND INDEED THEY DID NOT MAKE ONE MOVE

[redacted] & HAKIM:

HAKIM: ((INTERPRETS)) [redacted] SHOWS THIS AS A POINT OF STRENGTH OF GHORBANIFAR IN THE WESTERN WORLD. HE PLANNED [redacted] HE KEPT [redacted] OUT. AND THEY WERE THERE ((FEW WORDS MISSED)).

[redacted]

HAKIM: ((INTERPRETS)) HE SAYS THAT HE WAS SO CONVINCING THAT HE STARTED TO BELIEVE HIM. THAT HE REALLY IS SUCH A POWERFUL MAN.

NORTH: I REGARD HIS POWER TO BE PURELY NEGATIVE.

HAKIM: ((INTERPRETS))

NORTH: IN THIS PARTICULAR RELATIONSHIP BETWEEN THE U.S. AND IRAN. HE CAN DO NOTHING TO HELP IT ALONG.

HAKIM: (INTERPRETS))

NORTH: BUT HE HAS THE POWER TO DO MUCH DAMAGE TO IT BECAUSE OF HIS KNOWLEDGE.

HAKIM: ((INTERPRETS))

NORTH: WE HAVE ALREADY SEEN EVIDENCE OF THAT. AND THAT HE BELIEVES-- GHORBANIFAR BELIEVES HE HAS NOT BEEN PAID THE FULL AMOUNT BY IRAN AND HE IS THREATENING TO MAKE PUBLIC THE EARLIER TRANSACTIONS . . .

HAKIM: ((INTERPRETS))

((PORTION OF CONVERSATION UNINTELLIGIBLE.))

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HAKIM: ((INTERPRETS)) I HAVE NOT FORGOTTEN THE STATEMENT YOU MADE, BUT THIS IS VERY IMPORTANT. MR. HASHEMI-RAFSANJANI HAS PROPOSED AND THEY BELIEVE THIS IS A GOOD THING TOO AND THAT THE ((PORTION UNINTELLIGIBLE)) A COUPLE OF MONTHS AND SEE WHAT HAPPENS. THE REASON THEY HAVE NOT DONE THIS THING IS BASED ON WHAT HE TOLD ME THAT HE HAS DONE--((FEW WORDS MISSED))DOCUMENTED ((FEW WORDS MISSED)) UNIVERISITY PROFESSOR AND SO FORTH. THAT WE ARE CONCERNED ABOUT THIS. HE SAYS THEY ARE OF THE OPINION, WHETHER THEY ((ONE WORD MISSED)) OR NOT, HE IS GOING TO DO IT ANYWAY.

?CAVE? IF THEY COULD BRING HIM ?AFTER? A COUPLE OF MONTHS, IT WOULD BE GOOD.

NORTH: HE HAS ALREADY GIVEN THE INFORMATION TO ANOTHER MAN IN THE U.S. IF GHORBA DISAPPEARS.....

HAKIM: HE'S NOT TALKING ABOUT DISAPPEARING.
HE'S GOING TO BE WORKING. HE'S GOING TO BE KEPT THERE AND THEN HE'S GOING TO BE WORKING AND ((ONE WORD MISSED.)) HE'S GOING TO BE CALLING, TALKING, DOING THE WHOLE THING.

NORTH: THAT'S FINE. AND IF GHORBA...

HAKIM: THEY'RE NOT TALKING ABOUT..

NORTH: ...INJURING HIM.

HAKIM: YEAH.

NORTH: WHAT I AM TALKING ABOUT IS THE PERCEPTION, RIGHT OR WRONG, THAT GHORBA OWES SEVERAL OTHER PEOPLE MILLIONS OF DOLLARS. THAT'S WHY THEY'RE GOING TO TALK. IF GHORBA IS SEEN BY THEM TO HAVE DISAPPEARED, WE'RE LIABLE TO HAVE AN EVEN BIGGER PROBLEM.

SECORD: WHY DON'T THEY PAY THEIR BILL?

HAKIM: DO YOU WANT ME TO ASK HIM, OR DO YOU WANT ME TO TELL YOU. I KNOW.

SECORD: CAN WE ASK HIM WHY THEY DON'T PAY THE BILL?

HAKIM: YES. I THINK SO. LET ME TELL HIM WHAT HE SAID AND THEN. ((FEW WORDS MISSED.)) CORRECT. ((FEW WORDS)) OWE HIM 10 MILLION DOLLARS BUT IT IS NOT...

NORTH: ((LAUGHS)) GHORBA'S GOT MORE CREDIBILITY THAN HE EVER DESERVED.

?SECORD? NO, HE SAYS 15.

HAKIM: NO. IT'S 10. THEN HE HAS TO DELIVER FREE THE 1000 FREE TOWS. IT'S NOT ALL THAT ....

?SECORD? ?LET'S SAY? HE LIED.

HAKIM: GENTLEMEN, LET ME TRANSLATE. ((GOES INTO PERSIAN))

?SECORD? WHAT THE HELL DOES HE SAY?

HAKIM: HE IS SAYING THAT [redacted] HAS GOT THE MONEY...

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[redacted]

HAKIM: ((INTERPRETS)) [redacted] AFTER HE LEARNED WHAT THE REAL PRICE IS. HE KEPT THE MONEY. HE SAID BECAUSE ((FEW WORDS MISSED))

[redacted]

HAKIM: ..THE HAWK SPARE PARTS, WHICH THEY HAD CHARGED THEM 8 MILLION DOLLARS FOR THE 2.7 ((MILLION)). THEY CHARGED THE IRANIANS EIGHT.

SECORD: NO, NO, NO, NO, NO. THIS IS THE SECOND EXAMPLE.

CAVE: THE SECOND. IT IS NOT THE FIRST SHIPMENT. HE HAD TOLD THEM IT WAS 8 MILLION. THEN WHEN WE GOT THE BILL.. WHEN WE GAVE THEM THE BILL FOR WHAT IT WAS...((FEW WORDS)) 2.7 , GHORBANIFAR HAD ALREADY TOLD THEM IT WOULD COST THEM 8 MILLION.

SECORD: SO, HE'S A BUSINESSMAN.

HAKIM: ((INTERPRETS IN PERSIAN FOR [redacted] THEN SAYS)) I HAVE TOLD HIM THAT OUR OPINION IS, AND WE HAVE DISCUSSED IT IN THE PAST, THAT HE SHOULD BE PAID .....

SECORD: HE SHOULD BE PAID AT LEAST SOMETHING RIGHT AWAY...

CAVE: TO KEEP HIM QUIET.

NORTH: WELL, QUITE FRANKLY, I DON'T GIVE A SHIT IF HE GETS PAID. WHAT I'M MORE INTERESTED IN IS THAT THE PEOPLE TO WHOM HE OWES MONEY GET PAID.

SECORD: DO WE KNOW HOW MUCH THAT IS?

NORTH: WELL, I THINK WE DO KNOW.

SECORD: HOW MUCH IS THAT?

CAVE: IT'S ABOUT...WELL, WE DON'T KNOW WHAT HE OWES. BUT FOR THE LAST DEAL... FOR THE SHIPMENT OF THE ORIGINAL PARTS, HE OWES THEM 10 MILLION.

HAKIM: THAT'S ALL THEY ((THE IRANIANS)) OWE HIM. THAT'S ALL THE MONEY THEY OWE GHORBANIFAR. TEN MILLION. I HAVE HEARD THIS...

NORTH: SEE, THAT WOULD MAKE SENSE. BECAUSE GHORBANIFAR WENT OUT AND BORROWED 15 MILLION DOLLARS. HE PAID OFF THE ONE GUY--A EUROPEAN-- AND HE STILL OWES THE CANADIANS TEN. AND THAT WOULD MAKE SENSE.

HAKIM: ((INTERPRETS))

SECORD: ARE YOU SAYING THEY SHOULD PAY US AND WE PAY THE BANK?

NORTH: I DON'T WANT TO GET IN THE MIDDLE OF THIS ((FEW WORDS)) THEY DIRECTLY GET TOLD? ROY TO SHOW UP SOMEWHERE, AND GET US THE HELL OUT OF IT.

((END OF TAPE A3))

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((TAPE A4))

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[redacted]

HAKIM: ((INTERPRETS)) UNTIL A FEW DAYS AGO, BASED ON PREVIOUS ARRANGEMENTS, [redacted] HAD PROMISED THEM THAT HE WOULD APPROACH THIS IN A VERY PROPER WAY AND HANDLE IT VERY CORRECTLY. AND THEY HAD DECIDED TO KEEP THIS AWAY, SECRET FROM MOST OF THE PEOPLE, AND HE PERSONALLY COORDINATED WITH A NUMBER OF THE PEOPLE, BUT HE DOESN'T BELIEVE IT'S THE RIGHT TIME FOR HIM TO RELEASE THEIR NAMES. AND BROUGHT IT TO THE POINT THAT ((FEW WORDS MISSED)) AND ONLY TWO DAYS AGO THAT [redacted] SAID THAT WE THINK IRAN HAS REACHED THE STAGE THAT WE SHOULD ?RETURN? TO OTHER PEOPLE AS WELL.

[redacted]

HAKIM: ((INTERPRETS)) IT GOT TO THE POINT THAT IT WAS DIFFICULT TO KEEP IT SECRET BECAUSE, FOR INSTANCE, [redacted]--COULD HAVE FOUND OUT ABOUT THEIR TRYING TO GET 10 MILLION DOLLARS OUT ((FEW WORDS MISSED)). THEY HAVE GOTTEN 8 MILLION OUT SO FAR. 4 AND 7 ((FEW WORDS MISSED)). THEY COULD NOT HAVE KEPT THAT A SECRET, SO THEY DECIDED TO BRING EVERYBODY ELSE IN.

[redacted]

HAKIM: ((INTERPRETS)) HIS NAME-[redacted]-IS GOING TO BE GIVEN TO THE DIFFERENT GROUPS. THEY HAVE GIVEN [redacted] TO THE DIFFERENT GROUPS THAT HE HAS ((FEW WORDS)) AND THE REASON IS TO ENABLE HIM TO GO FROM ONE GROUP TO THE OTHER AND BE INVOLVED IN THE KIND OF WORK THAT HE CAN DO. NOW, WITH WHAT HAS HAPPENED, WITH THE TOWS COMING OUT, THEY ARE GOING TO PRICE IT, BY THE WAY, AT 8 THOUSAND EACH.

NORTH: WAIT A MINUTE. I'M CONFUSED. WITH THE TOWS COMING WHERE?

HAKIM: IRAN, WHICH ARE THERE NOW.

NORTH: THIS ONE. .

HAKIM: YEAH. THE MILITARY INTELLIGENCE THAT THEY GOT, AND THAT IN ITSELF IS A REVOLUTIONARY ACTION AND EVERYBODY'S GOING TO GO CRAZY AND BERSERK OVER THIS, BECAUSE IT IS SUCH AN IMPORTANT EVENT IN THIS TYPE OF PICTURE.

SECORD: BUT WHAT'S THE POINT?

HAKIM: I STOPPED, YOU KNOW, I'M TRYING TO TRANSLATE.

[redacted]

HAKIM: ((INTERPRETS)). HE IS EXPLAINING WHY THE ARRIVAL OF THE TOWS--AND THE MILITARY INFORMATION IS COMPLETELY BACKED UP--FIRST: ONE: [redacted] AND HIS GROUP--[redacted]--ARE GOING TO BE TOTALLY ELIMINATED.

[redacted]

HAKIM: ((INTERPRETS)) TWO: THIS WILL ESTABLISH THE CREDIBILITY OF THIS CHANNEL AS THE ONLY CHANNEL, AS THEY HAVE BEEN CLAIMING, WHO SHOULD BE CONTACTED.

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[redacted]

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HAKIM: ((INTERPRETS)) HE'S GIVING AN EXAMPLE. HE RAISED THE ISSUE OF THE MILITARY INTELLIGENCE, AND THE PEOPLE DID NOT BELIEVE IT, AND HE CONFIRMED THAT, YES INDEED, ?THEY? BROUGHT IT, AND THEY CANNOT PUT IN WRITING THAT IT'S IMPORTANT TO ((WORD MISSING)) THIS THING OUT, AND ALL THESE ISSUES STARTED THEM TO THINK THAT IT IS ((FEW WORDS)) GROUP.

[redacted]:

HAKIM: ((INTERPRETS)): HE'S COMING BACK TO THE DISCUSSION THAT THEY STARTED TO DISCUSS AT THE BEGINNING. HE CAN TAKE BACK THE REAL MOTIVATION BEHIND OUR APPROACHING THEM AND REMOVE THE DOUBTS AND DIFFERENT THOUGHTS YOU PEOPLE HAVE, THINGS THAT ((FEW WORDS MISSING)) QUICKLY. THAT IS, HE COULD GO AND SAY THAT, REALLY, THE MAIN THING THAT WE ARE AFTER IS THE ISSUE OF THE HOSTAGES. TO... THEY'LL GET THINGS GOING. AT THIS MINUTE, THEY ARE CONFUSED. THEY DON'T KNOW WHAT WE WANT, AND THEY BELIEVE THAT THERE ARE FOUR OR FIVE OTHER CHANNELS, AND THIS IS ONE OF THEM, AND THERE IS A SCHEME, BUT THEY ARE NOT QUITE SURE WHAT IS HAPPENING.

[redacted]

HAKIM: ((INTERPRETS)): HE'S GOING BACK TO THE MAIN DISCUSSION. THE HIGHLY RADICAL IS MONTAZERI... HIS GROUP. IN REFERENCE TO HIS...

[redacted]

HAKIM: ((INTERPRETS)): WHAT [redacted] IS DOING HERE. I THINK I'M BEGINNING TO UNDERSTAND WHAT HE'S DOING. HE'S TRYING TO EXPLAIN WHAT HAS HAPPENED SINCE HE LEFT US. THERE ARE MANY DIFFERENT PEOPLE, THEY ARE DOING MANY DIFFERENT THINGS, AND HE'S COME DOWN... HE'S COMING TO THE HEART OF IT NOW... HE WAS CONCERNED THAT THE HIGHLY RADICAL PEOPLE, I.E., MONTAZERI'S GROUP, ((INCIDENTAL DISCUSSION)) HE HAD THE FEAR (THAT) BEFORE THEY GET TO SOME PLACE SOLID, AND IF THE RADICALS, MONTAZERI'S GROUP, WOULD FIND OUT, HE COULD NOT PREDICT WHAT WOULD HAPPEN THEN. ((THE PERSIANS APPARENTLY LEAVE THE ROOM AT THIS TIME))

ORTH: BUT JUST A LITTLE WHILE AGO HE SAID THAT [redacted] BROUGHT EVERYBODY IN. ((SIGH)) THAT'S QUITE A PLAN! WAY BACK WHEN [redacted] WAS HERE.

HAKIM: YES, BUT THEY, THEY BROUGHT HIM IN, THEY TOLD HIM JUST WHAT THEY'RE DOING, BUT THEY NEVER TOLD HIM HOW THEY'RE DOING IT. THAT WAS A POLITICAL MOVE.

ORTH: O.K., BUT I DON'T UNDERSTAND....

HAKIM: ((INTERRUPTS)). CAN WE AT ONE POINT TAKE A LITTLE TIME AND GET INTO......

((TIME OUT FOR CHATTER ABOUT ROOMS, MAKING A PHONE CALL, ETC.))

HAKIM: I DETECT THAT HE IS...HE'S TRYING...HE'S PUSHING FOR [redacted]. ?THE ONLY THING?, IT'S UNJUSTIFIED. NOW THAT HE'S SEEN SUCCESS, HE'S TRYING TO.....((DOESN'T FINISH))

((TIME OUT FOR ANOTHER PHONE CALL.))

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((CHATTER ABOUT HOTEL ROOMS, PER DIEM, ETC. PERSIANS BACK IN ROOM NOW. EATING MEAL, SENDING MESSAGES. NORTH EXPLAINS SECURE DEVICE TO THE PERSIANS AND PROMISES TO PROVIDE THEM WITH EVEN BETTER EQUIPMENT AFTER HE PROVES TO HIS BOSS THAT THE CH WORKS.))

((END TAPE A4))

((BEGINNING OF TAPE A5))

NORTH: O.K., YOU WERE TALKING ABOUT....

HAKIM: MR. MONTAZERI.

[redacted]

HAKIM: ((INTERPRETS)): HE'S TRYING TO GIVE YOU VERY IMPORTANT INFORMATION AS TO HOW THEY CAME TO LEARN THAT MONTAZERI KNEW WHY THEY WERE TRYING TO KEEP HIM OUT. HE KNEW THAT. AND HE ALSO IN THIS EXPLANATION IS GOING TO TELL YOU ABOUT THE REST OF ((FEW WORDS)). AFTER IT BECAME KNOWN IN [redacted] ABOUT THE EXPLOSIVES, THEY STARTED TO INVESTIGATE TO SEE HOW AND WHO DID IT.

[redacted]

HAKIM: ((INTERPRETS)): THEIR INVESTIGATION SHOWED THAT [redacted] WAS BEHIND THIS, AND HE BELONGED TO THE... THE LIBERATION GROUP.

SECORD: THE TERRORIST GROUP.

HAKIM: RIGHT. THAT'S WHAT THEY ARE, BUT HE--[redacted]-WAS IN THE REVOLUTIONARY GUARD. [redacted] I'M TRYING TO UNDERSTAND WHAT THAT IS.

SECORD: HE WAS IN ...

DAVE: HE WAS [redacted]

SECORD: BUT HE'S NO LONGER [redacted]

HAKIM: HE WAS NO LONGER...

DAVE: ((IN PERSIAN)) WHAT IS [redacted] JOB NOW?

[redacted]

DAVE: ((INTERPRETS)) HE WAS THE. BUT BECAUSE OF THE WAY HE WAS RUNNING THESE THINGS. TWO YEARS AGO THEY DISMISSED HIM.

[redacted]

DAVE: ((INTERPRETS)) BUT HE STILL REMAINS, YOU KNOW, UNOFFICIALLY, AS FAR AS MONTAZERI IS CONCERNED. [redacted]

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[redacted]

HAKIM: ((INTERPRETS)) THEY HAD LEARNED ABOUT THIS THING AND THEY ARRESTED [redacted] BUT WHILE DOING THAT, THEY MADE A MISTAKE AND ALSO

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ARRESTED [redacted] WHOM THEY RELEASED.

:ORTH: WHY WAS HE ARRESTED?

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AKIM: ((INTERPRETS))

[redacted]

AKIM: ((INTERPRETS)) WHEN THEY WENT TO [redacted] HOME TO ARREST HIM, [redacted] WAS ALSO THERE AND THEY ARRESTED HIM AS WELL. [redacted] IS ABOUT HIS AGE AND LOOKS VERY MUCH LIKE HIM. [redacted]

ECORD: SO IT WAS A MISTAKE.

AKIM: YEAH, IT WAS A MISTAKE. THEY RELEASED HIM.

[redacted]

AKIM: ((INTERPRETS)) IMAM KHOMEINI WAS ALWAYS CONCERNED ABOUT [redacted] [redacted] GETTING INVOLVED IN THE FOREIGN ACTIVITIES. BUT THEY COULD NOT PROVE IT UNTIL THIS CAME ABOUT.

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[redacted]

AKIM: ((INTERPRETS)) WITHOUT COORDINATING THE INFORMATION WITH THE MINISTRY OF FOREIGN AFFAIRS. [redacted]

[redacted]

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HAKIM: ((INTERPRETS)) IMMEDIATELY AN ORDER WAS ISSUED BY KHOMEINI, ALTHOUGH THIS GUY WAS BEING PROTECTED BY MONTAZERI, TO ARREST HIM.

[redacted]

HAKIM: ((INTERPRETS)) HERE HE WANTS ME TO MENTION ((FEW WORDS MISSED)) ((HAKIM LAUGHS AND SAYS, 'YOU'RE GOING TO LOVE THIS.')) HE SAYS THAT'S TRUE THAT HE IS ARRESTED, BUT THIS IS AS A CONSEQUENCE, A RESULT, OF YOUR DISCUSSIONS WITH MR. MCFARLANE THAT YOU HAVE AGREED TO ARREST HIM.

SECORD: I DON'T UNDERSTAND THAT.

HAKIM: HE'S IMPLYING WHEN MONTAZERI WAS INFORMED THAT [redacted] WAS ARRESTED AND THEY EXPLAINED TO HIM WHY HE WAS ARRESTED, HE SAID, 'YES, I KNOW YOU ARRESTED HIM, BUT THE REASON THAT YOU'VE ARRESTED HIM WAS THE RESULT OF YOUR MEETING WITH MR. MCFARLANE. THAT'S WHY HE ....'

NORTH: HE BELIEVES THAT? MONTAZERI BELIEVES THAT?

HAKIM: THIS IS WHAT HE SAYS. LET'S GET TO THE BOTTOM OF IT.

[redacted]

HAKIM: ((INTERPRETS)) HE ((MONTAZERI)) SAYS, 'YOU WOULD HAVE AGREED WITH THE AMERICANS TO PUT THE RADICAL PEOPLE IN THEIR PLACE, AND THAT'S AS A RESULT OF THAT AGREEMENT.'

SECORD: WHO IS 'YOU,' RAFSANJANI? WHO WAS HE TALKING TO?

[redacted]

HAKIM: ((INTERPRETS)) HE PUT THAT IN A LETTER TO IMAM KHOMEINI ((AND MONTAZERI SAID)) 'I MUST UNDERSTAND WHO GAVE THE PERMISSION TO HAVE THE MEETING WITH MR. MCFARLANE.' AND THIS THING WAS STAGED IN SUCH A WAY THAT THE POINT OF THE GUN WAS STUCK AT [redacted] ((FEW WORDS MISSED)). AND THE REASON THE GUN WAS POINTED AT HIM WAS BECAUSE [redacted] WAS KNOWN TO BE THE VERY STRONG ENEMY OF [redacted] ((CONTINUES QUOTING MONTAZERI'S LETTER)). AND I MUST INFORM YOU THAT YOU HAD THIS MEETING WITH MR. MCFARLANE WITHOUT THE PERMISSION OF THE PEOPLE, AND GOD KNOWS WHAT OTHER THINGS YOU GUYS HAVE AGREED ON. ((LAUGHTER FROM AMERICANS.))

SECORD: WAIT A MINUTE, HE'S TELLING KHOMEINI, 'WHERE DID YOU GET THE AUTHORITY?'

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HAKIM: NO. HE'S SAYING THAT [redacted] HE POINTED THE GUN AT [redacted] HE SAYS

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HE DOESN'T KNOW HOW [redacted]... BUT LET ME EXPLAIN SOMETHING: WHEN YOU ((FEW WORDS MISSED)) YOU DO NOT NECESSARILY ((FEW WORDS MISSED)) THE IRANIAN WAY, SPECIFICALLY. YOU IMPLY, AND YOU ADDRESS ONE CERTAIN PERSON AND YOU, YOU KNOW, IT'S AN IMAGINARY......

ECORD: HE (MONTAZARI) IS SAYING, 'I DON'T UNDERSTAND HOW [redacted] GETS SUCH AUTHORITY.

AKIM: RIGHT.

((SEVERAL EXCHANGES INAUDIBLE.))

ORTH: HOW LONG AGO WAS THIS LETTER WRITTEN?

AKIM: ((AFTER CONFERRING WITH [redacted]) [redacted]

[redacted]

AKIM: ((INTERPRETING)): IMMEDIATELY THIS ISSUE WAS DISCUSSED IN PARLIAMENT, IN THE UNIVERSITIES, AND IN THE MEETINGS OF THE SCHOLARS.

[redacted]

AKIM: ((INTERPRETING)): SOME PEOPLE ((FEW WORDS MISSED)) [redacted]S REAL NAME IS [redacted] AND AT ONE OF THESE MEETINGS--THE SCHOLARS MEETINGS--THIS FELLOW ((NAME MISSED)) ASKED HIM, 'HEY, [redacted] WHAT REALLY HAPPENED WITH MR. MCFARLANE ((FEW WORDS MISSED)) SECRET PLANE.

ORTH: HOW DID THEY KNOW THAT?

AKIM: ((AFTER CONFERRING WITH [redacted]) MR. MONTAZARI SAID THAT HE HAD A SPY IN THAT MEETING.

ORTH: WHO? ((LAUGHTER)) HE TELLS A GOOD STORY.

AKIM: [redacted] SAYS IF YOU WANT TO HEAR THE REST OF THE STORY, YOU'LL HAVE TO GIVE HIM 250 MORE TOWS. ((MORE LAUGHTER))

ORTH: QUITE A STORY TELLER. WHERE'S THE PHONE? ((LAUGHTER))

ECORD: TELL HIM I HAVE THE POLICE RIGHT OUTSIDE.

[redacted]

AKIM ((INTERPRETING)): SIX NIGHTS AGO, KHOMEINI CALLED THIM INT TO TEHRAN FROM QOM. ((FEW WORDS)) MONTAZERI.

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[redacted]

AKIM: ((INTERPRETING)): WHEN HE WAS CALLED TO THIS MEETING WITH KHOMEINI, THEY DISCUSSED VARIOUS ISSUES, [redacted] WAS ALSO PRESENT, AND THEY TALKED ABOUT [redacted] AND HIS PARTICIPATION IN FOREIGN ACTIVITIES WITHOUT AUTHORIZATION ((WORD MISSED)) AND ALL THAT. AND THEY GOT TO DISCUSS THE ISSUE OF THE AMERICAN, AND [redacted] BRIEFED MONTAZERI ABOUT WHAT WAS HAPPENING AND HE SAID, 'OH, MR. GHORBANIFAR IS A ((FEW WORDS MISSED)) OLD PERSONAL FRIEND.

~~TOP SECRET~~ ~~NOFORN~~

ORTH: HE TOLD ME ALL THESE THINGS. GHORBA TELLS EVERYBODY; HE TELLS BANKERS.

[illegible]

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((LAUGHTER))

ORTH: YEAH. AND THE ISRAELIS, TOO. THAT GUY IS ARRANGING EVERYTHING. 305

((FEW EXCHANGES MISSING)).

[redacted]

AKIM: ((INTERPRETING)): HE SAID THEY HAD STARTED TO SUSPECT HIM ([redacted]). BECAUSE HE SAID, ABOUT [redacted] HE SAID HE HAD LEARNED ALL THESE THINGS FROM THE AMERICANS, SO IT WAS POSSIBLE THAT HE TOLD MONTAZERI. HE WAS THE SPY. AND WHEN IT BECAME KNOWN.....

[redacted]

AKIM: ((INTERPRETING)): WHEN THIS BECAME KNOWN, THAT'S WHY THEY ARE REALLY ANXIOUS TO BRING GHORBA BACK AND KEEP HIM FOR A COUPLE OF MONTHS. I HAVE A FEELING THAT WHEN THEY SAY A COUPLE OF MONTHS, IT'S GOING TO BE A LONG, LONG COUPLE MONTHS.

ORTH: YEAH, BUT HE'LL NEVER GO. HE WON'T GO. HOW WOULD THEY GET HIM?

AKIM: ((AFTER ASKING [redacted] CAN DO IT. [redacted] CAN BRING HIM.

[redacted]

AKIM: ((INTERPRETING)): SOMETHING VERY INTERESTING WHICH DURING THE MINISTER OF (FEW WORDS MISSED)) THE UNIVERSITY STUDENTS PUBLISHED 5 MILLION COPIES OF THE STATEMENT ABOUT THESE AFFAIRS ((FEW WORDS MISSED)) KNOW WHAT WENT ON THERE.

[redacted]

AKIM: ((INTERPRETING)): ((IT)) HAD GOTTEN SO BAD [redacted] WAS AFRAID OF COMING OVER, AND HE BROUGHT IT TO HIS ATTENTION THAT IT WAS WITH THE APPROVAL OF THE IMAM KHOMEINI ((FEW WORDS MISSED)).

ORTH: [redacted] WAS AFRAID?

AKIM: [redacted] WAS AFRAID OF COMING TO THIS CHANNEL. HE WAS MORE AFRAID BECAUSE HE DIDN'T CONTACT THIS CHANNEL THEY JUST SENT.

[redacted]

AKIM ((INTERPRETING)): [redacted] WAS AFRAID ((FEW WORDS MISSED)) BLOWN.

ORTH: IF IT WAS BLOWN, IT WAS ONLY BLOWN INSIDE.

[redacted]

((FEW EXCHANGES INAUDIBLE))

ORTH: BUT GHORBANIFAR KNOWS SOMETHING IS GOING ON.

SECORD: HE DOESN'T KNOW EXACTLY WHAT, ((FEW WORDS MISSED)) UNLESS [redacted] HAS TOLD HIM.

NORTH: THAT'S A GOOD POINT.

HAKIM: [redacted] DOESN'T KNOW EVERYTHING.

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TH: [redacted] KNOWS A LOT.

ORD: BECAUSE [redacted] TOLD ((WORD MISSED)), [redacted] TOLD GHORBANIFAR.

IM: [redacted] DOESN'T KNOW EVERYTHING ABOUT THIS ...

TH: WAIT A MINUTE, WE KNOW THAT GHORBA KNOWS. [redacted]

IM: ... THAT SOMETHING IS HAPPENING.

TH: ... AND HE KNOWS IT'S HIM.

ORD: HE KNOWS IT'S HIM AND HE KNOWS ABOUT THE MEETING IN BRUSSELS.

IM: ((INTERPRETING FOR [redacted]

((PORTION MISSED))

IM: DOES HE MENTION HIS NAME?

TH: YES.

ORD: HE MENTIONS A [redacted]

[redacted]

IM: ((INTERPRETING)): HE THINKS IT'S [redacted]

ORD: IT'S GOOD IF HE THINKS THAT.

TH: WHICH ONE IS HE?

ORD [redacted] ... HE WAS [redacted] REMEMBER?

IM: HE'S STILL THERE. THAT'S ONE REASON THEY'RE GOING BACK.

ORD: HE'S A ((WORD MISSED)).

[redacted]

IM: ((INTERPRETING)): HE REFUSES TO GO BACK, AND IF HE DOESN'T RELEASE THE MONEY, HE IS SUPPOSED TO GO HOME ((FEW WORDS MISSED)). HE'S GOT 20 MILLION DOLLARS--LISTEN TO THIS, I'M NOT KIDDING YOU-- HE'S GOT 20 MILLION DOLLARS, HE HAS HIS ORDER FROM [redacted] TO GO BACK , HE DOESN'T ((WORD MISSED)) WANT TO GO BACK BECAUSE HE WANTS TO MAKE THIS COMMISSION FOR THE TOWS BECAUSE ((FEW WORDS MISSED)) HE CAN MAKE $1,200 PER TOW THAT THEY BRING IN.

RTH: LOOK, THERE'S ONLY ONE ... NO ONE ELSE HAS EVER DELIVERED ANY ...

IM: THEY KNOW THAT. ((FEW WORDS MISSED)) HE DOESN'T KNOW.

ORD: HE SAYS THAT THEY KNOW IT, BUT THIS IDIOT DOESN'T ((FEW WORDS MISSED)).

IM: AND HE DOESN'T RELEASE THE MONEY. YOU KNOW WHAT ?SOMEONE? HAS BEEN TELLING HIM? HE SAID, 'WHY DON'T YOU TAKE THE 20 MILLION DOLLARS AND JUST ((WORD MISSED))

UNCLASSIFIED UNCLASSIFIED

UNCLASSIFIED

[redacted]

HAKIM: ((INTERPRETING)): THE MISINFORMATION THAT [redacted] HAS BROUGHT OUT IS THAT [redacted] HAS ESTABLISHED A LINK WITH AMERICANS AND THEN THEY HAVE [redacted] TO FOLLOW UP ON THIS LINK. AND THIS SUBJECT, ONLY [redacted] AND HIMSELF ((FEW WORDS MISSED)).

CAVE: ((IN PERSIAN TO [redacted]-INAUDIBLE)).

SECORD: DOES [redacted] KNOW OF HIS INVOLVEMENT, OF THE DETAILS?

HAKIM: ((FEW WORDS MISSED)) BUT HE ([redacted]) HAS COME TO HIM [redacted], NOT KNOWING HE'S INVOLVED, AND ASKED HIS OPINION--THIS IS ABOUT THREE OR FOUR WEEKS AGO.

[redacted]

HAKIM: ((INTERPRETING)): WHEN HE RETURNED FROM WASHINGTON, TWO DAYS AFTER THAT HE ([redacted]) WENT TO HIM ([redacted]).

[redacted]

HAKIM: ((INTERPRETING)): BECAUSE HE KNOWS [redacted] KNOWS WHAT'S GOING ON ((FEW WORDS MISSED)) FOUND OUT, AND HE TOLD [redacted]

[redacted]

HAKIM: ((INTERPRETING)): THIS PARTICULAR ISSUE ((FEW WORDS MISSED)) BRUSSELS.

CAVE: ((WORDS MISSED)) KEPT ASKING ME, 'ARE YOU CURRENT ON WHAT'S GOING GOING ON IN BRUSSELS?' I SAID, 'YEAH ((WORDS MISSED)).'

SECORD: BUT IF HE KNEW ... HOW WOULD HE KNOW ABOUT BRUSSELS?

CAVE: THIS IS ... [redacted] KNOWS

SECORD: YES, BUT HOW WOULD HE KNOW?

[redacted]

HAKIM: ((AFTER ASKING [redacted] HASHEMI-RAFSANJANI TOLD [redacted] ...

SECORD: THAT THERE WAS A DISCUSSION IN BRUSSELS ...

HAKIM: AND HE HAD YOUR NAME AND MY NAME, BUT THEY DIDN'T WANT TO USE HIS NAME. HE PREPARED THE REPORT, LET ME BACK UP. HE PREPARED THE REPORT WHEN HE WENT BACK FROM BRUSSELS, HE PREPARED THE REPORT FOR [redacted] HE SAID, 'I HAD A MEETING WITH FOUR PEOPLE,' AND HE PUT TWO FAKE NAMES AND CORRECT NAMES. HE MENTIONED YOU BY NAME, MENTIONED ME BY FIRST NAME, AND DISCUSSED EVERYTHING THAT WE HAD DISCUSSED. SO HASHEMI-RAFSANJANI CALLS [redacted] IN AND SAYS, 'HEY, YOU LIED TO US, BECAUSE I HAVE, THROUGH MY SOURCES--WITHOUT SAYING WHAT THE SOURCE IS--RECEIVED INFORMATION, AND THE INFORMATION SAYS 1, 2, 3, 4, EVERYTHING THAT WE DISCUSSED ((WORDS MISSED)).

SECORD: AND THAT'S WHY HE WAS FISHING.

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HAKIM: THAT'S WHY HE ?CAME TO YOU, SIR?

~~TOP SECRET~~

CAVE: YEAH, AND THAT'S WHY ((WORDS MISSED)) I TOLD HIM NOTHING.

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HAKIM: AND HE PROBABLY TOLD GHORBANIFAR, 'SOMETHING'S GOING ON.'

CAVE: ((MISSED))

HAKIM: HE CREATED THE NAME.

C 308

SECORD: THAT WAS IN THE CONVERSATION WITH [redacted]

((SEVERAL CONVERSATIONS GOING ON SIMULTANEOUSLY))

NORTH: WE'VE GOT TO GET THIS S.O.B. WORKING. THAT'S WHAT WE'VE GOT TO DO. AND IT'S GOING TO BE ALL OVER THE FREAKIN WORLD. WHAT WE'VE GOT TO DO IS FIGURE OUT HOW WE'RE GOING TO HANDLE THE NEXT, LITERALLY, FEW DAYS. AT SOME POINT ALONG THE LINE, WE'RE GOING TO BE FORCED INTO ACKNOWLEDGING THAT WE'RE HOLDING PRIVATE DISCUSSIONS WITH THE ?IRANIANS?

SECORD: THE PROBLEM I SEE IS THAT WE CAN AFFORD THE HEAT, BUT I DON'T THINK THEY CAN. I MEAN, YOU CAN TAKE THE HIGH ROAD. ((YOU CAN SAY)) OF COURSE WE'RE TALKING. WE'RE TRYING ALL THE TIME ((FEW WORDS MISSED)) USE EVERY CHANNEL AVAILABLE. AND WE'RE ALSO TRYING TO STOP THIS BLOODY WAR ((FEW WORDS)) PEACE IN THE REGION. BUT I DON'T THINK THEY CAN STAND THE HEAT. DO YOU AGREE?

CAVE: ((FEW WORDS MISSED)) TO GET THOSE GUYS TO RELEASE THOSE DAMN HOSTAGES SO THAT WE CAN PUT THE BEST LIGHT ON THIS.

SECORD: WELL, IF THEY DO THAT, IT WOULD MAKE IT EASIER ON US.

NORTH: WELL, THAT'S WHAT I'M AIMING FOR.

SECORD: BUT THEIR PROBLEM ((FEW WORDS MISSED)).

NORTH. I UNDERSTAND THAT. THAT'S WHY THIS BACKGROUND IS VERY IMPORTANT TO WHAT WE SAY OR DON'T SAY. YOU KNOW, I MEAN, THERE'S ALREADY RUMORS, AND WE'VE SEEN THE JACK ANDERSON STUFF.

SECORD: IS HE [redacted] FINISHED WITH HIS AGENDA?

HAKIM: ((ASKS

[redacted]

HAKIM: ((FEW WORDS)) IS ACTUALLY ON BAD TERMS...

NORTH: WHO?

HAKIM: MONTAZERI. HE IS NOT ON GOOD TERMS WITH THE REGIME. HE HAS SHUT DOWN HIS HOUSE TO PEOPLE SO NO ONE CAN GO TO HIM, AND HE HAS CLOSED HIMSELF IN.

CAVE: HE HAS SEQUESTERED HIMSELF, IS ABOUT THE BEST WAY YOU CAN PUT IT.

NORTH: IS HE UNDER HOUSE ARREST?

AVE: NO. THAT'S "MOHASEREH" ((PERSIAN WORD FOR SEIGE)) ((WORD MISSED)) IS WHEN HE DOES IT HIMSELF, BUT IT'S UNDERSTOOD HE HAS TO DO IT.

HAKIM: IF HE DIDN'T DO IT HE'D BE IN DEEP .....

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NORTH: HEY, WHERE ARE WE HEADED HERE, GUYS? I NEED TO HAVE A SENSE FOR..

SECORD: I THINK WHERE WE OUGHT TO HEAD IS A DISCUSSION OF WHAT KIND OF ANNOUNCEMENTS OUGHT TO BE MADE WHEN THESE TWO GUYS ARE RELEASED THIS WEEKEND? THAT'S A TACTICAL THING THAT NEEDS TO BE....

NORTH: ((LOUDLY))HEY, GUYS DOWNSTAIRS, IF YOU GOT ANY MORE TAPE, SOMEBODY BRING IT UP [redacted] ((LAUGHS)) WE'RE OUT OF TAPE FOR OUR FREAKIN MACHINE. ((LAUGHTER)).

HAKIM: THIS GUY HAS TOLD 16 PEOPLE...

NORTH: WHO'S "THIS GUY?"

HAKIM: [redacted]

NORTH: WHAT DO YOU ((FEW WORDS)) TO CHANGE HIS TAPE? ((APPARENTLY TALKING ABOUT [redacted] WHO HAS LEFT THE ROOM.))

HAKIM: HE PROBABLY WENT TO SEE ((FEW WORDS MISSED)).

SECORD: HE WENT TO ?SEE? ((WORD MISSED))

NORTH: WHY, WHY IS HE ((FEW WORDS MISSED)) NEXT DOOR?

HAKIM: BECAUSE WE STARTED TALKING ((FEW WORDS MISSED)) HE SAID, HE MENTIONED, I ASKED HIM.....

NORTH: IS HE CARRYING SOME ((FEW WORDS MISSED)). ?DO THEY HAVE ONE? NEXT DOOR? ARE YOU SURE?

AVE: ((INAUDIBLE))

ORTH: WHAT DID HE SAY?

AKIM: THERE ARE TOO MANY THINGS HAPPPENING, SO LET ME GO BACK ? A LITTLE BIT? HE ((FEW WORDS MISSED)) MONTAZERI, HE CLOSED SHOP. THAT MEANS HE KNEW THAT IF HE DIDN'T, HE WOULD BE IN DEEP SHIT, BECAUSE KHOMEINI HAS ORDERED ?THE ARREST? OF THE, OF HIS GROUP WHO HAD PARTICIPATED [redacted] AND WHEN KHOMEINI SAYS "ARREST," IT MEANS EXECUTE THEM.

ORTH: O.K., I HEAR YOU, BUT I'M A LITTLE CONFUSED [redacted]

AKIM: [redacted] DID IT.

ORTH: YEAH, [redacted]

AVE: ((FEW WORDS MISSED)) WHAT [redacted] WAS DOING IS.. WHAT THEY WERE DOING IS ((FEW WORDS MISSED)) ((PORTION INAUDIBLE)) THE GUYS THAT THEY FOUND OUT THAT DID NOT COOPERATE AMONG THE ?SHI'AH?, THEY WOULD KNOCK OFF.

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ORTH: I'M NOT SURE OF THAT. I MEAN...

ECORD: I GATHER THAT THESE ARE GUERRILLAS THAT HE HAS KILLED?

AVE: YEAH...

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ORD: [redacted]

IM: WELL. ASK HIM. THAT'S A SIMPLE ENOUGH QUESTION. ASK HIM. C 310
WELL ANYWAY, THE IMPORTANT THING IS THE PEOPLE THAT ARE BEING ARRESTED, FROM [redacted] GROUP, ARE GOING TO BE ALL... EXECUTED. HE SAYS, "WHEN KHOMEINI SAYS 'ARREST THEM,' THIS IS UNDERSTOOD TO MEAN THAT THEY ARE GOING TO BE EXECUTED, AND THEY HAVE..

ORD: ((INAUDIBLE))

IM: [redacted] HAS CLOSED DOWN SHOP. HE'S ?NOT ARRESTED YET? BUT HE.. PROBABLY THAT'S A DEAL THAT KHOMEINI HAS MADE. HE'S SAID, "YOU GO AHEAD AND SHUT YOURSELF IN." ((FEW WORDS MISSED.)) THAT'S MY ASSESSMENT. WOULD YOU AGREE WITH THAT, SAM? THEY WILL GO AHEAD AND EXECUTE THESE PEOPLE, BUT UH... ((PERSIANS RETURN TO THE ROOM.)) HE WENT TO BRING ME THE NEWSPAPER.

SEVERAL EXCHANGES INAUDIBLE))
E: ((APPARENTLY TRANSLATING FROM A PERSIAN NEWSPAPER.)) THE OFFICE OF THE IMAM HAS ISSUED ORDERS TO ARREST THOSE HAVE GONE ASTRAY, THAT ARE CONNECTED WITH [redacted]

ORD: DOES IT MENTION [redacted] SPECIFICALLY?

E: ((READING IN PERSIAN)) "CHARGES AGAINST THIS GROUP: MURDER BEFORE THE REVOLUTION; COOPERATION WITH SAVAK, AND THIS IS CONNECTED TO [redacted]" WELL, HE'S GOING TO BE DEAD AFTER THIS ANYWAY. "KIDNAPPING AND MURDER AFTER THE REVOLUTION; HOLDING WEAPONS AND EXPLOSIVES ILLEGALLY; FIVE, HOLDING SECRET GOVERNMENT DOCUMENTS; SIX, COUNTERFEITING GOVERNMENT DOCUMENTS; SEVEN, SECRET, UNLAWFUL ACTIVITY...

TH: WHAT ROLE DID HE HAVE WITH THE DAWA AND HIZBALLAH?

IM: WE WILL ASK HIM. BUT THE 15 PEOPLE.. HE STARTED TO TELL ME THIS. WAS MR. ((NAME MISSED)) WHO WAS KNOWN TO BE AN AMERICAN ((WORD MISSED)) ASKED HIM WHO WERE THE [redacted]..

TH: THESE ARE [redacted]

IM: YEAH. AND HE SAYS ((FEW WORDS MISSED.))

E: ((INAUDIBLE.))

TH: LOOK, WHY DON'T WE GO ?TAKE A BREAK?

((MUST BE PRAYER TIME. PERSIANS TRYING TO ESTABLISH DIRECTION OF MECCA. AMERICANS LEAVE.))

((END OF TAPE A5))
((BEGINNING OF TAPE A6))

DURING FIRST PART OF TAPE, PARTICIPANTS APPEAR TO BE EXAMINING A MAP. EXCHANGES ARE FOR THE MOST PART INAUDIBLE.
LATER THE AMERICANS, EXCEPT FOR HAKIM, APPEAR TO HAVE LEFT THE ROOM. CAN HEAR CONVERSATION IN PERSIAN IN THE BACKGROUND BUT, EXCEPT FOR ISOLATED PHRASES, THE EXCHANGES ARE INAUDIBLE.

AT ONE POINT, HOWEVER, THE PERSIANS PLACE TELEPHONE CALLS, APPARENTLY TO TEHRAN, AND PARTS OF THEIR END OF THE CONVERSATION CAN BE HEARD.

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IN THE FIRST CONVERSATION, THE SPEAKER APPEARS TO BE [redacted] IN THE COURSE OF THE CONVERSATION HE DICTATES THE TEXT OF A TELEX IN WHICH HE STATES THAT "AN ERROR WAS MADE IN THE PART NUMBER OF ITEM 56. THE NUMBER HAS TO BE SOMETHING ELSE; WE WILL TELL YOU WHAT IT IS IN THE NEXT CONVERSATION. MEANWHILE THE NUMBER OF THE BANK ACCOUNT IS [redacted]" C 311

IN THE SECOND CONVERSATION, [redacted] TELLS SOMEONE TO PASS THE WORD ON TO SOMEONE ELSE THAT "THERE IS VERY LITTLE TIME ON THIS MATTER OF STEP NUMBER 4; IT MUST BE CONCLUDED BY SATURDAY AT THE LATEST. TELL HIM TO GET IN TOUCH WITH [redacted] SHOULD SAY THAT WE HAVE ONLY UNTIL SATURDAY AND THAT HE SHOULD TRY TO SEE TO IT THAT TWO ARE.... YOU KNOW."

((END TAPE A6))

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11/18/86 1600

N 9318

QUESTIONS AND ANSWERS RE U.S. POLICY TOWARD IRAN

Q: WHAT CAN YOU TELL US ABOUT THE NSC DOCUMENT FROM JUNE 1985 WHICH CALLED FOR A CHANGE IN U.S. POLICY TOWARD IRAN?

A: -- From late 1984 onward, signs of growing Soviet influence in Iran and the potential for internal fragmentation were serious cause for concern.

-- Based on a CIA assessment, the NSC staff prepared an options paper for interagency review.

-- Focused on possible means for improving U.S. strategic position in order to affect the course of change in Iran and counter Soviet moves.

-- My NSC adviser distributed a draft directive (NSDD) to the Secretaries of State and Defense and the Director of CIA in mid-June.

-- Each provided detailed comments on the NSDD draft. While he did not agree with entire paper, SECDEF never told me ideas in the paper were "absurd" as was reported in the media.

-- Their comments were taken into account in my ongoing consideration of possible U.S. initiatives toward Iran.

~~Partially Declassified~~/Released on 1/26/88 under provisions of E.O. 12356 by B. Reger, National Security Council

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N 9319

Q: HAS THIS INITIATIVE WITH IRAN HAD ANY POSITIVE EFFECT?

A: Yes, there have been a number of positive effects. Although it is too soon to give a complete assessment, we have seen a marked reduction in Iranian sponsored terrorism over the last 18 months:

-- Several Iranians responsible for instigating international terrorist acts have been arrested in Iran.

-- The Iranian government helped to resolve the TWA hijacking in Beirut last June.

-- In September this year, Iran denied access to the hijackers of the Pan Am flight from Karachi, Pakistan.

Q: ISN'T YOUR ADMINISTRATION, THROUGH THE NATIONAL SECURITY COUNCIL AND LIEUTENANT COLONEL NORTH, REALLY BREAKING THE LAW; IN THIS CASE, IN CENTRAL AMERICA AND PERHAPS OTHER PLACES STILL HIDDEN IN WHITE HOUSE SAFES?

A: There you go again. That is simply not true. We have consistently and faithly complied with the law. I have seen much of the reporting concerning LTCOL North's activities. I can only say that he is a hardworking and honest officer with whom I have a great deal of trust. I might add that that also goes for his boss, John Poindexter, and the entire NSC staff.

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N 9320

Q: DID THE SECRETARY OF DEFENSE REALLY SAY, WHEN THE POLICY PAPER ON THIS IRAN CAPER WAS DISTRIBUTED, THAT THE WHOLE IDEA WAS ABSURD?

A: Cap is a close and trusted adviser and I can only say that he didn't tell me that.

Q: WAS CIA DIRECTOR CASEY ORDERED NOT TO INFORM CONGRESS OF THE SECRET "FINDING" THAT YOU SIGNED LAST JANUARY?

A: Yes, that is true. After lengthy legal consultations, I decided that, in this case, the lives of the people involved were at great risk, including those who were talking to us in Iran as well as our own hostages in Lebanon. We always intended and planned to fully inform the appropriate committees of Congress and, as a result of the recent speculation in the press, we have begun to fulfill that commitment. The paper I signed simply told the Director to "refrain from reporting...until I otherwise direct."

Q: YOUR CHAIRMAN OF THE JOINT CHIEFS OF STAFF SAID THAT HE WAS NOT CONSULTED OR AWARE OF THIS OPERATION, IS THAT TRUE?

A: As I have said earlier, all of the appropriate Cabinet Officers and officials were consulted and informed regarding this initiative. In this case, since it was not directly a

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military operation, it is not unusual that he was not directly involved. He has not complained to me over not being involved.

Q: DID THE U.S. GOVERNMENT AUTHORIZE ISRAEL TO SHIP MILITARY EQUIPMENT TO IRAN IN OUR BEHALF?

A: As I have said before, we will not make public any of the details of this matter or name those who did or did not help us in this matter. I will say that on two specific occasions I authorized an exception to policy by permitting a small amount of defensive military equipment to be transferred to Iran.

Q: IS IT PROPER TO HAVE THE STAFF OF THE NATIONAL SECURITY COUNCIL RUN AN OPERATION SUCH AS THIS? AND, ISN'T THIS JUST A WAY TO CIRCUMVENT THE OVERSIGHT REQUIREMENTS PLACED ON THESE TYPES OF ACTIVITIES BY CONGRESS?

A: As with any sensitive intelligence or diplomatic initiative, participation by departments and agencies, as well as individuals, must be based on their need to know. All of my national security advisers were consulted and they in turn advised those officials within their departments who had a need to know. Involvement of the NSC staff was also limited to a few individuals. The NSC staff was simply fulfilling its function advising me on national security issues, as well as carrying out my directions. As I have said before, we have every intention of fulfilling the reporting requirements mandated for these types of activities.

Q: DID THE SHIPMENT OF ARMS TO IRAN VIOLATE THE ARMS EXPORT CONTROL ACT OR ANY OTHER LAW?

A: No, it did not. Although we do have an arms embargo in place against Iran, as President, I made a limited exception to that policy and authorized the shipment of a small amount of defensive arms in order to signfy the seriousness of our intentions. In the case of the two third country transfers, the value of the materiel transferred was below that which requires Congressional notification.

Q: ISRAELI DEFENSE MINISTER RABIN HAS SAID THAT HIS GOVERNMENT ONLY SHIPPED ARMS TO IRAN AT THE BEHEST OF THE UNITED STATES GOVERNMENT. IS THAT TRUE?

A: Again, I'm not going to comment on any of the details or specifics that pertain to this matter. But, I will say that I authorized only two small shipments to be made by a third country.

Q: ISN'T THIS JUST ANOTHER FAILURE OF YOUR FOREIGN POLICY LIKE THE DANILOFF CASE, THE LIBYAN DISINFORMATION CAMPAIGN, AND THE REYKJAVIK SUMMIT?

A: No. The longer I'm here in Washington, the more I realize that in this town rumor and fiction seem to be more important than fact.

Q: ISN'T CONGRESS RIGHT THAT YOU TRUSTED THE AYATOLLAH MORE THAN YOU TRUSTED THE AMERICAN PEOPLE AND YOUR OWN OFFICIALS?

A: That's ridiculous. What we were attempting to do required extreme sensitivity because of the longstanding animosity between our two countries. If this initiative had been revealed earlier, I am convinced that we could not have proceeded as far as we have. Given the unfortunate speculation and uninformed publicity of recent days, there is no doubt tht the initiative is at increased risk.

Q: SOME OFFICIALS HAVE SAID THAT, AS A RESULT OF THIS FIASCO, WE HAVE NO TERRORISM POLICY. CAN YOU COMMENT?

A: I don't know who those sources are, but I'm here to tell you that is simply not the case. We have a clear and unshakable policy with regard to terrorism and anybody who wants to test us should think twice.

Q: DID YOUR NATIONAL SECURITY ADVISER LIE OR MISLEAD THE AMERICAN PEOPLE REGARDING OUR ARMS EMBARGO AGAINST IRAN?

A: No. What was said is absolutely correct. Our arms embargo will remain in effect as long as Iran sponsors terrorism. When we are convinced that they have changed their policy, we will reevaluate the need for that embargo.

Q: CAN YOU TELL US THAT THERE WILL BE NO MORE ARMS SHIPMENTS TO IRAN?

A: We have no plans to supply any more arms to the Iranians.

Q: WHAT ABOUT OFFENSIVE ARMS? HAVE WE PERMITTED OR ALLOWED ANY OTHER COUNTRY TO SHIP OFFENSIVE ARMS TO IRAN?

A: No.

Q: WHAT ARE YOU GOING TO DO ABOUT THE CREDIBILITY GAP THAT THIS EPISODE HAS CREATED FOR YOU AND YOUR ADMINISTRATION?

A: I can only do what I am doing now and what we have always done and that is to give the American people the facts and let their good judgement and trust in the Presidency guide our actions. As President, I am responsible for the

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Chapter 14
Footnote 250 25[illegible]
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((TAPE A17))

NORTH. SHALL [illegible] TAKE THEM ON THE SAME GUIDED TOUR THAT YOU GOT OF THE WHITE HOUSE?

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS IT WOULD BE A GOOD IDEA TO HAVE ((FEW WORDS MISSED))

NORTH. ((MISSED))

CAVE: ((MISSED))

SECORD: NUMBER TWO TO SHULTZ.

CAVE. ((INTERPRETS))

[redacted]

CAVE. [redacted]

[redacted]

CAVE: ((INAUDIBLE))

[redacted]

CAVE WHAT'S THAT?

SECORD HE SAID "THIS IS ALL" A JOKE.

CAVE. ((LAUGHS))

[redacted]

CAVE: [redacted]

NORTH. IS THAT RIGHT. HE'S A SMART MAN.

CAVE. [redacted]

SECORD. THAT'S VERY DIFFICULT TO DO.

[redacted]

CAVE: ((INTERPRETS)) ((FEW WORDS MISSED)) ALSO A MULLAH.

NORTH IS THAT RIGHT? HOW OLD IS HE?

CAVE ((INTERPRETS))

[redacted]

CAVE. ((INTERPRETS)) AND HE IS A VERY CLOSE FRIEND OF HIS [redacted]

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under provisions of E.O. 12356
By B. Reger, National Security Council

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CAVE: [redacted]

[redacted]

CAVE ((INTERPRETS)) [redacted] NOT ((FEW WORDS MISSED)).

SECORD WHAT HAPPENS AFTER, UH .. LET US ASSUME THAT SUNDAY AFTERNOON WE DO ALL THIS COORDINATION AND THESE TWO PEOPLE ARE RELEASED AND UH. WHAT DOES HE ENVISION THE NEXT STEP IS? WHAT DO WE DO?

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE'S GOING TO GIVE YOU HIS PERSONAL OPINION

[redacted]

CAVE ((INTERPRETS)) OK. WHAT HE'S THINKING OF IS, HE SAYS THIS. WHAT THEY WOULD LIKE--HERE'S WHAT HIS PROPOSAL IS AND HOW HE SEES IT. WE GO AHEAD WITH THE HAWK SPARES. THEY'LL PAY THE MONEY FOR THEM ((TO)) SHIP THEM. I GUESS THE MEDICINE WILL BE ON THAT AS WELL.

NORTH ((MISSED))

CAVE ((MISSED))

NORTH OH THAT'S RIGHT. THEY'RE ((FEW WORDS MISSED))

SECORD THEY'LL GO WITH THE BOXES

[redacted]

CAVE ((SENTENCE MISSED)) WHAT DID I JUST SAY

SECORD YOU SAID THE NEXT STEP WOULD BE THE HAWKS.

NORTH LET ME JUST ... PAY FOR HAWK SPARES IS THE FIRST STEP SECOND

SECORD SHIP THE HAWK SPARES.

NORTH SHIP THE HAWK SPARES

CAVE: ((INTERPRETS))

[redacted]

CAVE ((INTERPRETS)) HE SAYS THAT THE MONEY IS ALREADY IN FRANKFURT

SECORD BUT HE SAID THAT [redacted] IS COMING [redacted] AND

CAVE I'LL GET INTO THAT. AND WHAT HE SAYS THEY WOULD LIKE TO DO IS ((REMAINDER OF SENTENCE MISSED)). I TOLD HIM THAT IT'S GOING TO BE DIFFICULT TO GET SOMEONE ((FEW WORDS MISSED)) WHAT HE WANTS IS

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NORTH: WHAT WE DON'T KNOW ... I'VE BEEN ON THE PHONE HALF THE NIGHT ON TECHNICIANS, OK? I HAVE A TECHNICIAN LINED UP, BUT I AM TOLD THAT THEY ARE NOT ANXIOUS TO SHIP TECHNICIANS WHILE HOSTAGES ARE BEING HELD

CAVE: ((INTERPRETS))

NORTH: THIS IS WHAT HE TOLD ME: HE SAID, "OK, IT WILL BECOME PUBLICLY KNOWN."

CAVE: ((INTERPRETS))

[redacted]

CAVE: I TOLD HIM; HE SAID, "NO I DON'T THINK ..." HE SAID HE DOESN'T THINK IT WOULD BECOME

NORTH: [redacted] THAT'S WHERE IT'S GOING TO COME OUT

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT ONE THING YOU SHOULD KNOW ((FEW WORDS MISSED)) IS THAT THE ?CLEARANCES? HAVE ALL BEEN TAKEN OVER BY THE P-GUARDS. THEY'RE UNDER THEIR CONTROL

NORTH: EVEN THE PILOT? HE'S THE ONLY ONE WHO WOULD HAVE IT? ((FEW WORDS MISSED))

CAVE: ((IN PERSIAN)) DO YOU HAVE A PILOT?

[redacted] ((IN PERSIAN)) YES

NORTH: FOR THE F-14 S?

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS ((FEW WORDS MISSED)) [redacted] AND HE WWOULD BE THE GUY THAT YOUR EXPERT WOULD BE IN CONTACT WITH

[redacted]

CAVE: ((INTERPRETS)) HE SAYS DON'T WORRY ABOUT IT COMING OUT IN IRAN ((FEW WORDS MISSED)) MCFARLANE. ((LAUGHTER))

NORTH: FIVE MILLION COPIES OF HIS PICTURE? ((FEW WORDS MISSED)) IT IS NOT THAT WE DO NOT TRUST YOU OR YOUR PEOPLE--THAT'S NOT THE PROBLEM. THE PROBLEM IS THAT IT'S POLITICAL ON OUR SIDE IF IT BECOMES PUBLIC KNOWLEDGE AND THERE ARE STILL HOSTAGES BEING HELD

CAVE: ((INTERPRETS))

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[redacted]

CAVE: ((...)) ((INTERPRETS)) HE'S GIVING ME [illegible] HE SAYS LOOK, THIS [illegible] TO DO

THIS ... IT WOULD BE AN IMPORTANT POLITICAL STEP TO DEMONSTRATE ((FEW WORDS MISSED)).

NORTH: ((WORD MISSED)) WE'VE GOT THE GUY ... I THINK SOMEBODY'S SIGNING THE CONTRACT WITH HIM RIGHT NOW--WELL NOT YET. IT'S ONLY SIX IN THE MORNING.

[redacted]

CAVE ((INTERPRETS)) HE SAYS WHAT HE'S ASKING IS THAT YOU GUYS GOT TO GO BACK TO WASHINGTON AND CONVINCE THE RESPONSIBLE OFFICIALS TO DO THIS ((FEW WORDS MISSED)).

NORTH THE GUY WE'VE GOT--I THINK--IS A FORMER MILITARY GUY. HE'S A FORMER NAVY GUY WHO NOW WORKS FOR ... HUGHES?

SECORD I THINK SO. LISTEN, WE CAN GO BACK AND TRY TO CONVINCE WASHINGTON OF A LOT OF THINGS, BUT AFTER SUNDAY WE WILL HAVE STILL AT LEAST ONE HOSTAGE THAT WE SCORE OR COUNT AGAINST IRAN--AT LEAST ONE. I THINK THAT IT'S HIGHLY UNLIKELY THAT WE WOULD BE ALLOWED TO SEND TECHNICIANS INTO IRAN, TO ISFAHAN, UNTIL WE GET THAT GUY OUT. SO WHY CAN'T WE DO SOMETHING TO GET THE GUY OUT? THAT'S WHAT I WANT TO TALK ABOUT.

CAVE. ((INTERPRETS))

[redacted] ((IN PERSIAN)) I'LL TRY TO RESOLVE THAT TOO.

SECORD SEE, IT'S VERY IRONIC. WHAT THEY'RE DOING IS HOLDING THEMSELVES HOSTAGE BECAUSE OF ONE GUY.

CAVE ((IN PERISAN)) IT'S A POLITICAL ISSUE. WE THINK WE CAN NAME SOMEBODY, BUT BEFORE WE SEND HIM, WE HAVE TO GET THE PRESIDENT'S PERMISSION.

[redacted]

CAVE ((INTERPRETS)) HE SAYS THAT THERE'S A KIND OF WAR OF NERVES. HE SAYS THAT ... FIRST HE SAYS LOOK, I ... YOU GUYS HAVE PROBLEMS ((FEW WORDS MISSED)) I MEAN I CAN'T GET INVOLVED IN THAT BECAUSE I DON'T UNDERSTAND YOUR PROBLEMS AND YOU'RE GOING TO HAVE TO WORK ON THEM YOURSELVES. ((FEW WORDS MISSED)) HE SAYS BUT ((FEW WORDS MISSED)) [redacted] ((FEW WORDS MISSED)) HAS BEEN TAKEN ON THE SUBJECT OF THE PHOENIX ((FEW WORDS MISSED)) THAT ??0? WE ((FEW WORDS MISSED)), AND HE'S PUT AN AWFUL LOT OF PRESSURE ON [redacted] ON THE ISSUE OF THE PHOENIX, AND HE SAYS IT'S ALMOST BECOME LIKE A WAR OF NERVES BECAUSE [redacted] HAS ALSO TALKED TO HIM ABOUT THE PHOENIX, AND HE SAYS THAT ...

NORTH HE'S TALKED TO EVERYBODY ABOUT IT [redacted] TALKING PHOENIXES. EVERYBODY'S TALKING.

CAVE BUT HE SAYS THAT THIS IS ONE OF THE THINGS THAT HAS REALLY HE'S BEEN TAKEN WITH, AND THIS WAS ONE OF THE REASONS WHY HE BROUGHT IT UP, TO EXPLAIN ((ONE WORD MISSED)) HERE IS THE AMOUNT OF PROGRESS TO BE MADE IF WE WOULD SEND A TECHINICIAN AND JUST LOOK AT THE PHOENIX.

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SECORD: WE UNDERSTAND THAT.

[redacted]

CAVE ((INTERPRETS)) ((FEW WORDS MISSED)) HE ALREADY TOLD THEM. HE SAID, "HEY, LOOK. THERE IS NO CHANCE THAT THE UNITED STATES IS GOING TO SEND PHOENIX MISSILES TO US?

?NORTH? TRUE.

[redacted]

CAVE ((INTERPRETS)) AND HE SAID ... HE ADDED ..HE SAID ONE OF THE REASONS THEY'RE SO HOT ON TRYING TO GET WORKING THE 70 SOME PHOENIXES THAT THEY'VE GOT, IS BECAUSE THEY KNOW THAT THEY CAN'T GET ANY MORE.

NORTH YOU KNOW THERE ARE STILL PEOPLE OUT TRYING TO BUY PHOENIXES THEY OUGHT TO SAVE THEIR MONEY.

CAVE ((INTERPRETS))

NORTH A WASTE OF TIME AND MONEY.

[redacted]

CAVE ((INTERPRETS)) HE SAYS WE DON'T WANT ALL OUR WORKERS IN THE MINISTRY OF DEFENSE TO BE OUT OF WORK. ((LAUGHTER))

SECORD LOOK. HE'S STILL NOT BEING RESPONSIVE TO THE POINT. I MEAN WE UNDERSTAND THE PRESSURE ON THE PHOENIX. WE'VE UNDERSTOOD IT FOR A LONG TIME. BUT IT MAKES NO SENSE TO ME WHY THEY WOULD WANT TO HANG ON TO ... OR NOT GRAB THIS OTHER GU-----, IF ANY WAY YOU WOULD----BECAUSE THAT PRESENTS A BIG, BIG PROBLEM FOR US. IT'S A BIG PROBLEM FOR THEM. WHY NOT JUST GET HIM THE HELL OUT OF THERE AND LET US ROLL?

CAVE ((INTERPRETS))

[redacted]

CAVE ((INTERPRETS)) HE SAYS "WE DON'T CARE WHAT YOU SAY. HE'S GOING TO TELL THEM WHEN HE GETS BACK ((WORD MISSED)) THAT YOU PROMISED TO SEND HIM. [redacted] LAUGHS))

SECORD BUT HE'S STILL NOT TALKING ABOUT THE GOD DAMNED HOSTAGE THING. [redacted] I MEAN WE NEED TO GET TO THIS. . WE NEED TO GET THIS OFF THE TABLE

NORTH THAT IS IMPORTANT

CAVE THAT IS IMPORTANT ((IN PERSIAN ASKS [redacted] ABOUT THE STATUS OF THE OTHER HOSTAGE--THE ONE WHO WILL REMAIN AFTER TWO ARE RELEASED))

[redacted] ((ASKS CAVE THE TOTAL NUMBER OF HOSTAGES))

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CAVE THERE ARE SIX LEFT RIGHT NOW, RIGHT?

NORTH YE[illegible]

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ANDERSON, CICIPPIO, REED, AND AUSTIN....UH, AUSTIN TRACY

[redacted]

CAVE ((INTERPRETS)) HE SAYS ((FEW WORDS MISSED)) IS THIS THE ONE THAT LARRY SPEAKES SAYS IS A BOOKSELLER? ((FEW WORDS MISSED))

NORTH: YEAH. HE'S ACTUALLY.

CAVE: HE ASKED ME, "HAVEN'T THE SYRIANS GOT SOMETHING TO DO WITH IT?"

NORTH "I DON'T KNOW. IT'S PROBABLY THE LIBYANS.

CAVE ((INTERPRETS.))

NORTH I TELL YOU, YOU GUYS JUST TELL US WHERE THEY ARE. [redacted] [redacted]

CAVE ((INTERPRETS))

[redacted]

CAVE [redacted]

NORTH [redacted]. YOU ONCE OFFERED TO TELL US WHERE THEY WERE.

CAVE ((INTERPRETS))

[redacted]

CAVE [redacted] AND WE WOULD ((FEW WORDS MISSED)) DEFEND OUR TERRITORY ((FEW WORDS MISSED.)) " NOW, HE SAYS, "LOOK, I'LL TELL YOU WHAT I'LL DO. YOU SEND THAT TECHNICIAN TO HELP US WITH THE PHOENIXES. I WILL PERSONALLY GET THE THIRD GUY OUT, AND I COULD TELL YOU WHERE THE REST OF THE GUYS ARE. I WILL LEARN WHERE THEY ARE. I WILL FIND OUT WHERE THEY ARE..

SECORD: HE DOESN'T KNOW WHERE THEY ARE.

CAVE. NO. WHAT HE SAID ON THAT WAS HE SAID THAT WHEN WE DISCUSSED THIS BEFORE [redacted] HE DOESN'T KNOW WHAT [redacted] HAS BEEN ABLE TO FIND OUT ((FEW WORDS MISSED)) BUT [redacted] WAS GIVEN THE "MISSION", YOU KNOW, LIKE WE TALKED BEFORE, OF FINDING OUT WHERE THE OTHER TWO GUYS ARE.

[redacted]

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NORTH: HOW MANY [redacted]

CAVE: THEY'VE GOT [redacted] DON'T THEY--HOSTAGES?

NORTH: I'VE [redacted] IT DOWN. I THINK IT'S [redacted] I'LL GIVE YOU [redacted] LIST.

CAVE: AND HE SAYS THAT HE'S CERTAIN THAT IF ANY PROGRESS CAN BE MADE ON THIS KUWAITI THING....

[redacted]

CAVE [redacted]

NORTH

CAVE

[redacted]

CAVE

NORTH

SECORD

CAVE

SECORD

NORTH: LOOK, I'LL GET YOU A TECHNICIAN. ALRIGHT? I DON'T KNOW IF HE'S GOING TO BE THERE TUESDAY OR NOT. BUT, BY GOD, WE'RE GOING TO GET A TECHNICIAN. I THINK WHAT WE OUGHT TO DO IS THIS. WE OUGHT TO PLAN TO SEND A TECHNICIAN ALONG WITH THE HAWK PARTS.

CAVE: ((INTERPRETS, THEN IN ENGLISH)) I TOLD HIM WE MIGHT EVEN SEND TWO.

SECORD: TELL HIM I'LL MAKE HIM A DEAL. GIVE ME ONE OF HIS F-4'S. I'LL GO SHOOT DOWN SOME AIRPLANES. I'LL GET AT LEAST THREE ON THE FIRST DAY.

CAVE: ((INTERPRETS))

[redacted]

SECORD: WE'LL PUT [redacted] IN THE BACK SEAT.

CAVE: ((INTERPRETS))

[redacted] [illegible]

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DAVE ((INTERPRETS)) HE SAID IT WOULD BE A PITY IF YOU GOT KILLED.

SECORD: HOW WOULD I GET KILLED BY AN IRAQI PILOT? IMPOSSIBLE

NORTH: ALRIGHT. I'LL HOLD YOU AT YOUR WORD, BECAUSE I'M GOING TO PRODUCE THE TECHNICIANS.

SECORD: YOU BETTER GET READY TO GO TO LEBANON

DAVE ((INTERPRETS))

[redacted]

DAVE ((INTERPRETS)) HE SAYS, AS OF THE TIME HE LEFT TEHRAN... HE SAYS DON'T WORRY ABOUT THE ONE GUY. HE SAYS THAT HE'LL BE FREE. THE OTHER TWO... HE SAID AS OF THE TIME.

NORTH: TWO?

DAVE: WELL, THERE ARE THREE... AS OF THE TIME HE LEFT TEHRAN... WELL THEY WERE JUST LOOKING FOR TWO, YOU KNOW, BECAUSE THE OTHER GUY WAS TAKEN. HE SAID THERE WAS NO WORD ON PRECISELY WHERE THEY WERE.

SECORD: HE MEANT THEY MAY GET HARD TO FIND

[redacted]

DAVE: ((INTERPRETS)) WHAT HE SAYS IS ((FEW WORDS MISSED)) ONE OF THE THINGS THAT'S ((FEW WORDS MISSED)) POLITICAL AND DEFENSE PROBLEM WHICH IS THE CONTINUED ATTACKS ON CITIES BY THE IRAQI AIR FORCE. AND, YOU KNOW, THEY FOCUSED ON THE PHOENIX AS THE ONE WAY THEY CAN DO SOMETHING ABOUT IT.

NORTH: WELL, YOU KNOW, WOULD YOU DO ME A FAVOR AGAIN? AGAIN TODAY? ((WORD MISSED)) RESERVATIONS. ((FEW WORDS)) ((LAUGHING)) BECAUSE I HAVE NO IDEA WHAT MY ((WORD MISSED)) FLIGHT PLAN IS.

SECORD: OK

[redacted]

DAVE: ((INTERPRETS)) HE SAYS WHAT IS A GOOD IDEA ABOUT BRINGING THEM IN WITH THE HAWKS IS THAT THEY'LL... THE PASDARAN CAN TAKE CONTROL OF THEM WHEN THEY ARRIVE IN BANDAR ABBAS. ((FEW WORDS MISSED))

NORTH: MMM. WE NEED TO RESOLVE THE DISCREPANCY IN THE HAWK PARTS. DOES HE NOT WANT US TO SHIP 15?

DAVE: ((INTERPRETS))

[redacted]

DAVE: ((INTERPRETS)) ([illegible] MISSED))

NORTH: WELL, HE'S ASKED FOR ANOTHER 1000?

SECORD: WE DON'T KNOW. WE'RE WAITING TO HEAR FROM THEM.

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[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT THEY'VE GOT PLENTY OF HAWK PARTS. HE SAYS THE ARMY'S GOT A SERIOUS PROBLEM. HE SAYS THE GUY IN THE MINISTRY OF DEFENSE CALLED HIM THE NIGHT BEFORE HE LEFT AND SAID, "I UNDERSTAND YOU GUYS GOT A LOT OF TOWS, AND WE NEED SOME"

SECORD: DOESN'T HE REPRESENT THE ARMY TOO?

[redacted]

CAVE: ((INTERPRETS)) HE SAYS THAT WHEN THEY GOT THOSE TOWS THAT [redacted] GOT, THEY ALL WENT TO THE REVOLUTIONARY GUARD CORPS

SECORD: BUT THE QUESTION REMAINS DO THEY WANT MORE TOWS OR NOT. IF SO THEY HAVE TO ORDER THEM

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HOW MANY WERE IN THE PROGRAM. THERE WAS ANOTHER 500 WASN'T THERE THAT WE WERE GOING TO SEND LATER?

NORTH: WE SAID WE'D SEND 500 WITH THE, ((ONE WORD MISSED)) I DON'T THINK WE PLANNED ANYTHING, BUT WE HAVE

SECORD: THE PLAN SAYS ANOTHER 500, WE COULD SEND MORE, IF WE'D GET THE HOSTAGES OUT. IT DEPENDS ON WHAT THEY ORDER

NORTH: IF YOU GET THE HOSTAGES OUT, WE'LL SEND YOU A MILLION OF THEM. ALL YOU HAVE TO DO IS PAY FOR THEM. AND IF YOU GUYS WOULD GET YOUR ACT TOGETHER, WE'D OPEN UP AN FMS ACCOUNT AND YOU'D GET A BETTER PRICE ON THEM

CAVE: ((INTERPRETS))

NORTH: IF WE OPEN AN EMBASSY

[redacted] ((OBVIOUSLY UNDERSTANDING WHAT NORTH SAID)) NO ((LAUGHS))

SECORD: BUT IN THE IMMEDIATE FUTURE, THEY WANT ?

[redacted]

CAVE: ((INTERPRETS)) IF YOU OPEN ((AN EMBASSY)) THERE, YOU'RE JUST GOING TO CREATE ANOTHER HOSTAGE CRISIS ((GENERAL LAUGHTER))

SECORD: IN THE IMMEDIATE FUTURE, THEY'RE GOING TO HAVE TO TELL US. I MEAN THAT'S WHY WE HAVE TO GET TOGETHER. NOW HE SAID [redacted] WAS COMING [redacted] WE NEVER GOT BACK TO THAT.

CAVE: YOU SAID TO MAKE THE ARRANGEMENTS FOR [redacted] TO COME OUT

NORTH: WELL, DO YOU WANT TO BRING [redacted] INTO WASHINGTON?

CAVE: ((INTERPRETS))

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[illegible]

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CAVE: ((IN PERSIAN)) BUT FOR THAT SAME THING ((FEW WORDS MISSED)) WHAT DO YOU WANT ((FEW WORDS MISSED)) 500 MORE TOWS OR HAWK PARTS?

NORTH: WHY [redacted]T WE JUST BRING HIM TO WASHINGTON INSTEAD OF ((FEW WORDS MISS[redacted]

[redacted] ((ANSWERING CAVE'S LAST QUESTION)). NO. THE STIPULATED PROGRAM HAS TO BE CARRIED OUT. ((REMAINDER MISSED))

CAVE: ((APPARENTLY INTERPRETING THE LAST PART OF [redacted] COMMENT)) WHERE IS THAT NINE-POINT PROGRAM?

NORTH: DOWN IN MY ROOM. WANT ME TO GET IT?

CAVE: YEAH. AND IS THERE A PERSIAN COPY OF IT?

SECORD: WE GAVE HIM ONE, REMEMBER?

CAVE: WE DID?

SECORD: YEAH.

NORTH: I'M LOCKED OUT OF MY ROOM.

[redacted] ((MISSED))

SECORD: ((PORTION MISSED)) I COULD HAVE GONE 15 MINUTES AGO.

NORTH: WELL, YOU OUGHT TO GO.

SECORD: WHEN IS HE GOING BACK, TOMORROW?

CAVE: ((INTERPRETS))

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[redacted]

CAVE: ((INTERPRETS)) HE'S LEAVING TOMORROW AT TWO.

NORTH: WHY DON'T WE BREAK FOR A FEW MINUTES?

[redacted]

SECORD:

CAVE:

CAVE:

SECORD:

NORTH:

SECORD:

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ORTH.

AVE.

[redacted]

AVE.

ORTH.

[redacted]

ECORD YOU'RE EXACTLY RIGHT YOU'VE GOT THAT FIGURED OUT

ORTH I WANT TO GET BACK TO THE STATES I'VE GOT SO MUCH GODDAMN WORK

[redacted]

AVE (INTERPRETER) ANOTHER THING THAT YOU'VE GOT TO FOLLOW UP ON ((FEW WORDS MISSED))

ORTH ((FEW WORDS MISSED)) SADDAM HUSAIN?

AVE YEAH

ORTH ONE STEP AT A TIME MY FRIENDS OK? ((FEW WORDS MISSED))

AVE (IN PERSIAN TO [redacted]) DON'T WORRY ABOUT IT

[redacted]

AVE (INTERPRETER) WHAT THEY WANT TO KNOW IS SHOULD THEY MEET WITH THEM HIM OR NOT?

ORTH ((ONE OR TWO WORDS MISSED)) YES

AVE (IN PERSIAN) YES. MEET WITH HIM NO PROBLEM

ORTH AND TELL HIM JUST THE SAME THING THAT WE'RE SAYING

AVE (IN PERSIAN) DON'T YOU WANT SADDAM TO LEAVE ((POWER))?

[redacted] OF COURSE BUT WE DON'T WANT TO ((FEW WORDS MISSED)) WITH THE ARABS ((FEW WORDS MISSED))

SECORD IF THE RELATIONSHIP GOES FORWARD LIKE WE ARE TALKING ABOUT--IF

[redacted] ((MISSED))

SECORD IF IT GOES FORWARD

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[redacted]

AVE (INTERPRETER) ((TWO WORDS MISSED)) ONE OF THE GUYS THAT THEY WERE SUGGESTING TO TALK GO TALK TO ((WORD MISSED)) WOULD BE

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CAVE: YEAH. AND HE SAYS ((FEW WORDS MISSED)) A VERY VERY SERIOUS PERSON.

NORTH: HE [redacted]

SECORD: HE'[redacted]

NORTH: A VERY SERIOUS PERSON WHO'S GOT OIL ON HIS MIND.

SECORD: NO, HE'S OK. HE'S ((FEW WORDS MISSED)) YOU KNOW HIM PERSONALLY, RIGHT?

[redacted]

CAVE: ((INTERPRETS)) ((MISSED))

SECORD: [redacted] IF THIS THING GOES WELL AND WE GET OUR PEOPLE BACK, WE'LL ((EMPHASIS ON "WE'LL")) TALK [redacted] YOU TALK WITH THEM. WE'LL TALK TO THEM. ((FEW WORDS MISSED))

CAVE: ((INTERPRETS))

SECORD: IT'S GOING TO TAKE A LOT OF TALK. A LOT OF TALK.

CAVE: DO YOU WANT TO TAKE A BREAK NOW?

NORTH: YEAH. I'VE GOT TO MAKE SOME ARRANGEMENTS.

SECORD: WE HAVE TO DO SOME PHONE CALLS.

NORTH: MAYBE HE CAN CALL BACK HOME AND FIND OUT [redacted]-THE PROPOSAL ON WHEN AND WHERE.

CAVE: ((INTERPRETS))

[redacted]

CAVE: ((INTERPRETS)) HE SAYS THEY'RE GOING TO CALL HIM BECAUSE ((FEW WORDS MISSED)).

NORTH: OK. WE'LL BE BACK. [redacted]

[redacted]

CAVE: ONE OF THE THINGS WE MIGHT BE ABLE TO DO ON THIS OTHER THING IS GET TAPED ...

NORTH: GET TAPED WHAT?

CAVE: ((MISSED))

NORTH: ON WHICH SHIPMENT?

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CAVE: ((FEW WORDS MISSED)) ON THE NEXT ((FEW WORDS MISSED))

SECORD: ((FEW WORDS MISSED)) GET THE HAWK PARTS AND GET THE MONEY. HE SAYS THE MONEY'S HERE.

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NORTH: [illegible] ALTHOUGH I DON'T THINK HE'S GOING TO NEED QUITE AS

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CHEAPER.

[redacted]: CANCEL 156.

NORTH: I'LL [redacted] BACK. ((LEAVES THE ROOM.))

CAVE: ((IN PERSIAN)) 156--THE FACTORIES DON'T MAKE THAT ANYMORE. ((FEW WORDS MISSED)).

[redacted]: CANCEL IT.

CAVE: ((IN PERSIAN)) ((FEW WORDS MISSED.)) IT'S VERY EXPENSIVE. EACH ONE OF THEM IS ABOUT $65,000 AND MORE, MUCH MORE.

CAVE: ((INTERPRETS))

[redacted] WE DON'T WANT IT. ((FEW WORDS MISSED)) WE DON'T NEED IT WE WANT THE ?WIRE? THAT ATTACHES TO THE HAWK. ITS PRICE IS 8 ((OR 38)) RIALS

CAVE: ((LAUGHS))

[redacted] ((MISSED))

((CAVE CALLS ROOM [illegible] AND [redacted] SPEAKS BRIEFLY ON THE PHONE IN PERSIAN. CAVE AND [redacted] SPEAK QUIETLY. INAUDIBLE.))

((END TAPE A17))

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Chapter 14
Footnote 278-281

N 19445

[redacted]

FILE: NOTE [redacted] WHITE HOUSE COMMUNICATIONS AGENCY PAGE 001

[redacted]

[redacted]

[redacted]

[redacted]

MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA 10/29/86 22:33:00
To: NSJMP --CPUA

*** Reply to note of 08/29/86 11:01
NOTE FROM: Robert L. Earl
Subject: TEST
Gist of following message already given to you by phone on the plane, but

[redacted]

6 May 1987

14-278 to 281

(289)

UNCLASSIFIED [redacted]

N 15446

[redacted]

FILE: NOTE [redacted] WHITE HOUSE COMMUNICATIONS AGENCY PAGE 001

thought you may need some of the details: [redacted]
For JMP from North. Iranian [redacted] sources so we will get 2 of
the 7 US hostages held by Hizballah in next few days--probably Fri or Sat but
NLT Sunday. To ensure good coordination w/ all concerned, propose North,
Secord [redacted] second DIAP to Beirut to coordinate release of two hostages.
If approved, we wd proceed from Frankfurt to Larnaca via charter jet then to
Beirut via US military helo to brief our ambassador [redacted]
[redacted] Neither Secord nor North wd be visible but wd brief Amb
Kelly on details. Secord wd attend because he will have to brief Amb on third
hostage as well as remaining three (to total of 4 Americans) when we get info
from Rafsanjani on locations, and we decide to proceed on a rescue one when
Iranians give us locational info. Press guidance for a Presidential
announcement of the release before it becomes known will be developed along
lines of quote The USG is grateful to all those who have assisted in this
effort - and that two more AMCITS have been released unquote. Our effort is
to have RR make the announcement before CNN knows it has happened, but after
the AMCITS are in USG hands, so that RR is seen to have influenced the action
and Syrians are not [redacted]
VRST

[redacted]

[redacted]

[redacted]

[redacted]

Partially declassified/released on 6 May 1987
under provisions of E.O. 12356
by J. Reger, National Security Council

(290)

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Chapter 14
Footnote 282

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N 8084

14-282

NOV86. FOR NORTH FM SECORD

ABE GOT THRU TO [redacted] LESS THAN 1 HR AGO. FOLLOWING ARE HIS REMARKS USING NEW CODE WHICH CHARLIE HAS [redacted] HAS BEEN DEBRIEFED AND HE HAS NOT DAMAGED US. B.INITIAL MEETING HAS BEEN HELD RE WORDS FOR RAFSANJANI SPEECH. [redacted] GIVES IT 80 PERCENT CHANCE BUT WILL HAVE FIRM WORD FM RAFSANJANI FOR US IN 24 HRS. C. SHIP SHOULD BE LOADED WITH T72 TOMORRORW --: ILL BELIEVE IT WHEN WE HEAR FM THE CAPT. D.WE WILL GET ANOTHER HOSTAGE SOON BUT [redacted] WANTS ANOTHER 500 TOWS ASAP-NOT NECESSARILY LINKED SINCE ABE DID NOT WANT TO DEBATE MATTER ON PHONE. E. [redacted] TO MEET WE AND I IN GENEVA IN ABOUT 4 DAYS TIME. HE EMPHASIZED NEED FOR VERY SMALL MEETING. F. [redacted] REPORTS ATMOSPHERE IN THN OK NOW. THEY ARE ANALYZING PRES,S SPEECH FM VOA BUT AS OF NOW NO APPARENT PROBLEMS WITH ITS CONTENT. RGDS.DICK BT

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E-22
12/1/86

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Chapter 14
Footnote 232

N17559

(Better copy attached)

14-283

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[illegible] TO: NSDBM --CIUA 11/09/86 09:35:50
[illegible] JOHN M. POINDEXTER NSJMP --CPUA JOHN M. POINDEXTER
[illegible]
[illegible]: alleged [illegible] of [illegible]'s trip
the reports of [illegible]'s trip in pro-Syrian Lebanese newspapers coming
on the heels of high-level Iranian visits to Damascus, are the clearest
possible signals we could receive that the succession struggle in
Tehran and [illegible] relations are likely to play an important
role in the struggle. Obviously there are many possible interpretations
[illegible] put out by [illegible] to relations than for putting [illegible]

[redacted]

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by [illegible] National Security Council

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N 17560

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such pressure on him. we may never know the exact reason, but we must not let this opportunity to assess the consequences in iran of these revelations from slipping through our fingers. i think it would be useful to produce an assessment of the range of possible interpretations, and possible u.s. options. to be fair, i also think it would be appropriate to involve dennis ross. he is unaware of the compartment or our activities. once we finish the analysis, i strongly urge you to discuss our options with shultz and casey. at a minimum, we need to determine how best, other than ports, etc., to signal the iranians in a productive manner.

cc: NSRBM --CPUA ALTON G. KEEL NSWRP --CPUA ALTON G. KEEL

9 allegations of bud's trip

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

7

MSG FROM: NSHRT --CPUA TO: NSRGR --CPUA 11/04/86 15:00:50

To: NSRGR --CPUA

*** Reply to note of 11/04/86 10:01

NOTE FROM: Howard Teicher

Subject: allegations of bud's trip

roger that.

7 allegations of bud's trip 8

MSG FROM: NSHRT --CPUA TO: NSPMP --CPUA 11/04/86 15:49:50

To: NSJMP --CPUA

*** Reply to note of 11/04/86 11:55 [redacted]

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by [illegible] Reger, National Security Council

(300)

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Chapter 14, Footnote 286

D/HA/OCA 1

C09475

OCA 86-3873
03 December 1986

MEMORANDUM FOR THE RECORD

14-286

SUBJECT: George Cave's Briefing of HPSCI Staffers

1. On 3 December 1986, between 0930 and 1230 hours, George Cave, a former DO officer, briefed HPSCI staffers Tom Latimer, Mike O'Neil, Dick Giza, Diane Dornan, Duane Andrews and Tom Smeeton on his role in the NSC's Iran project. Dave Pearline, OCA/LEG attended the briefing which was held in H-405, The Capitol.

2. Mr. Cave said that he was briefed on the operation on 5 March 1986 when he met Lt. Colonel North for the first time. He met with North agai[illegible] 6 March. On the evening of 6 March, [redacted], C/ME; N[illegible] and Cave travelled to Paris where they met with the Israe[illegible]r. (Initially Cave told the staffers that he could not pr[illegible] Nir's name and only referred to him as an Israeli[illegible]owever, Mike O'Neil told Cave that they had been given his [illegible] Thereafter, Cave referred to him by name.) The Iranian [illegible]banifar also attended this meeting and presented the gro[illegible]th a list of 240 line items of spare parts for Hawk missi[illegible] [redacted] North and Cave returned to Washington the sa[illegible]y. The spare parts list was turned over to CIA Office of [illegible]tics for pricing information.

3. Cave said that not much more happened until early May and on 5 May, he and North went to London to meet with Ghorbanifar. The meeting in London was predicated on Ghorbanifar raising funds and he told North and Cave that he had raised it. Ghorbanifar said that he would be meeting with the Iranian President and Prime Minister and Rafsanjani. The money was deposited on 15 or 16 May and arrangements were made for the spare parts to be assembled at Kelly AFB. At this point a question was asked about where this meetin[illegible] place. Cave said that Ghorbanifar stayed in the [illegible]te when he visited London and the meeting was held t[illegible]n response to another question concerning what [redacted] may have known about this project, [redacted]

[redacted]

4. The party of McFarlane, Cave, and Tisch[illegible]he NSC, and two CIA communicators left Dulles on [illegible] privately chartered jet for Germany. They co[illegible]ed the[illegible]

All portions SECRET

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Executive Registry 20,131
#3 p7

CL BY [redacted]
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DRV FM HUM 4-82

CIIN 4005 (4457) UNCLASSIFIED

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flight [illegible]v on an airplane of an Agency proprietary. The [illegible] in Tel Aviv on 24 May; the plane parked on the [illegible]tary [illegible] the airfield where the group was met by Is[illegible] intelligence officials. Secord and North were already in Israel when McFarlane's group arrived there. In response to a question concerning Secord's role in this matter, Cave said that North depends on Secord a lot, adding that Secord saved North's life in Vietnam and that they have a close relationship.

5. A group, consisting of McFarlane, Tischer, Cave, North, an Israeli intelligence officer, an Agency communicator and a four person crew for the plane, arrived in Tehran at 0930, 25 May. One CIA communicator was left in Tel Aviv. In response to a question, Cave said that Secord was not repeat not on this plane. In response to another question, he explained why the group traveled on [redacted] passports. He added that the Iranians had suggested that they use [redacted] documentation but that this was not pursued for various political and other reasons, such as the fact that no one in the group could speak [redacted]. When the plane arrived in Tehran, it was directed to the military side of the airport and to VIP buildings there. There were no senior Iranian government officials at the airport when the plane arrived, only what Cave described as some flunkies. Ghor[illegible]far showed up at some point. About one and one-half hours after the plane arrived, an Iranian official from the Prime Minister's office showed up. North had met this official before and knew that he liked sweets. As a private joke between them, North presented the official with a cake with a key in it.

6. Eventually, the group was taken to the Hilton Hotel and given rooms on the top floor (15th) and they were told that they could not leave for "security reasons." Cave said that apparently the Iranians had not made any preparations for their arrival and that nothing happened until late afternoon when an official from the Prime Minister's office arrived. Two other Iranians, one an intelligence officer, also met with the group. Cave said despite press reports that 2[illegible]e loads of material went out, this group took one pallet o[illegible]e parts, about 20% of the requested spare parts. C[illegible] that the initial discussions with the Iranians on the [illegible]day in Iran were pretty bleak, to the point that McFarlane considered leaving. In response to a question, Cave said that Secord never went to Iran. Cave also mentioned [illegible]inc[illegible] that occurred when the Iranians removed that l[illegible] (who had been left behind on the plane) from [illegible]e said the Iranians probably did this to search the plane. [illegible]er Cave complained, the crewman was returned to the plane.

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[illegible] 29132

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7. [illegible] another meeting with the Iranians the second day, [illegible] from the top levels of the Iranian government. Finally [illegible] group met with one of Rafsanjani's principal advisors. Among items discussed were Iranian interests in joint cooperation; Iranian concerns about the Soviets in Afghanistan; the U.S. suggestion that the Iranians improve relations with Gulf States. Regarding the topics of hostages and arms, Cave said that each side tried to treat each topic as a separate issue. During these discussions, it became obvious to the group that the Iranians did not control the captors of the hostages and the Iranians indicated that they could get maybe one or perhaps two hostages released. McFarlane wanted all of them released.

8. On 27 May, there were more discussions along the same lines, but the Iranians still could not get control over the hostages. Cave said that the U.S. side was prepared to give the Iranians a briefing [redacted] to include information on the Soviet threat and our assessment of the war. However, it was decided that this briefing would not be provided because no agreement had been reached with the Iranians. The afternoon before McFarlane and the group were scheduled to leave Iran, McFarlane told the Iranians that if they could produce two hostages by the next day, that he would order the rest of the spare parts. However, by the next morning, it was obvious that something was wrong. The Iranians were begging the group to stay in Iran, but they had decided to leave because the negotiations had broken down. McFarlane was very upset. The group was told that the Iranian politicians were on pins and needles and that they were afraid to meet with the Americans. To further complicate the situation, the Iranians were not aware of who McFarlane was and they were also not familiar with the name Poindexter. In summary, they had no knowledge of McFarlane, Poindexter or North. Cave was the only one that the Iranians knew [redacted] Cave provided these additional comments on this part of the visit. When they arrived at the airport, the plane [illegible] not been refueled. He also said that it appeared to [illegible] the plane's crew had been in Iran before because they [illegible] know the Iranians at the airport.

9. When Cave returned to Washington he briefed the [illegible] and told him that it was clear that the Iranians [illegible] exercise complete control over the individuals [illegible] hostages in Lebanon. He said that the Iranians had presented a list of Hisballah demands that included the release of [illegible]

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terrori[illegible] held in Kuwait and the repayment of expenses incur[illegible]ousing and feeding of the hostages. The tot[illegible]he release of the hostages was Hawk spares, TOW [illegible]siles a[illegible]dars. Apparently, Ghorbanifar had lied to the Iranians about what the Americans would provide to them. Iranians thought they were going to get major arms shipment, but they did not. Finally, the Hawk spares were shipped to Ir[illegible]nd this shipment preceded the release of Father Jenco.

10. At some point, Cave learned that the Iranians were dissatisfied with the Ghorbanifar channel. In mid-August, a senior Iranian official of the Revolutionary Guards and [redacted] went to London to attempt to get the Americans to continue the dialogue. At this point Hakim, the Iranian businessman, became a key player in the program. In mid-August, Secord met with the Iranian Rev Guard official to change the channel, i.e., to communicate via Hakim. In September, the Rev Guard official flew to Washington, [redacted] arriving in Washington on the 18th or 19th of September. This official had a list of munitions and arms the Iranian[illegible]anted, but we told him that we would provide 500 TOWs for [illegible]hostages. The official also suggested that each side estab[illegible] a commission that would hold secret meetings until no[illegible]relations are re-established between the countries. He sa[illegible]at there were a series of meetings being conducted in T[illegible] concerning post-war plans for Iran. These meetings inc[illegible] discussions about the desirability of receiving Ame[illegible] weapons, which the Iranians believe are superior to Soviet[illegible]ufactured weapons; anticipated assistance from the West[illegible]rebuild the country's industry; anticipated need for [illegible]00 to $500 million dollars of foreign investment. The Iranian official also complained about the Israeli involvement in this program. The Iranians found out about Nir's presence in Iran and were angry about it. Dick Giza asked why the Israelis were involved and he was told that this was an Israeli initiative and that Nir went with them because the Israelis insisted that he go along. Dick also asked what were Israel's objectives in this program? Cave recapped Israel's involvement with Iran when [illegible]Shah [redacted] Dick also asked whether a firm "St[illegible]ing", or some name like this, was involved in this pro[illegible]e did not know anything about this firm. In respo[illegible]to[illegible]ther question, Cave said that McFarlane, not North, [illegible]in [illegible]e of the operation in Iran.

11. During the 19-20 September meeting, [illegible] official said that they were having problems [illegible] the TO[illegible]

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becaus[illegible]ld not work in water. Apparently, they were letti[illegible] into water which caused the TOW not to wor[illegible]y o[illegible] the U.S. group a T-72 tank but this was not [illegible]vered. [redacted]

The next meeting was in Frankfurt from 8 to 10 October wit[illegible]th, Sec[illegible]Cave, Hakim, the Rev Guard senior official, and [illegible]Rev Gu[illegible]ntel officer present. The Iranians said that [illegible]arantee the release of one more hostage, and perhap[illegible] of getting a second one released. However, after that there would not be any more hostages [redacted] released until the prisoners being held in Kuwait were released. [redacted] The U.S. delegation gave the I[illegible]ans a "Soviet Brief". [redacted] In response to a [illegible]tion about who authorized this briefing, Cave said that [illegible]DCI authorized it and it was requested by the NSC. Latime[illegible]d that this is some pretty sensitive information. Cave [illegible]that it was presented in such a way that it did not app[illegible]to be what it really was. [redacted] Cave said that the information was highly doctored and the judgments over-estimated opposition troop strengths. The Senior Rev Guard official said that the Iranians need help in ending the war. On a related point, in September, the Iranians had said that they were spending $10 bill[illegible] year on the war and this was causing a deficit. They a[illegible]id that their logistic system was in such disarray t[illegible]he final offensive fails, Iran would not be in a pos[illegible] launch a counterattack.

13. The Rev Guard official came out again [illegible] me[illegible]g on the 28th or 29th of October. This official [illegible] Lebanon and was certain that one hostage would [illegible]nd he had high hopes that a second would be rele[illegible] Nort[illegible] Secord, Cave and Hakim were present at this m[illegible]ng. The [illegible] Guard official had a check for $4 million to co[illegible]er the cost [illegible]

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the TO[redacted] While they were at this meeting site, 500 TOWs[redacted]d to Iran. Jacobsen was released on 2 or 3 Nov[redacted] The[redacted]t Committee concept was brought up again and[redacted]anians wa[redacted]people at the senior political, deputy ministerial level on the Iranian side to meet with a Deputy Secretary of State. These discussions would be followed by meetings between Rafsanjani and senior U.S. officials. Cave then returned to the 8 October meeting and remembered that they had been told that Rafsanjani had decided to expand relations with[redacted]adical wings in Iran.

14. [redacted]

15. Cave then returned to Ghorbanifar. He said that the Agency had a relationship with him several years ago, shortly after the hostages were taken.[redacted]owever, in early 1982 he was considered a fabricator and th[redacted]ssociation was terminated. Cave said that the Israelis (M[redacted]insisted that only Ghorbanifar could deliver. Gh[redacted]nifar has the contacts but uses them for his own purposes[redacted]

16. After Jacobsen's rele[redacted] things were coming unstuck. Cave met with the Rev Guard se[redacted] official in Geneva, 8-9 or 10 November. North, Secord, a[redacted]akim also were there. North still functioned as the princi[redacted] contact with the Rev Guard official, but Hakim also had c[redacted]cts with this official. During these meetings there were discussions on the cost of the weapons. On 30 June, [redacted] complained about the cost of the Hawk spares. He was told that he would have to talk to Ghorbanifar. There were a lot of complaints about Iran being overcharged. On 27 August, [redacted] said he settled accounts with Ghorbanifar and deposited some money in the Swiss bank account.

17. During the 8-10 November meeting in Genev[redacted] Iranians told Cave that the Israeli connection had[redacted] scared. The Iranians were convinced that Ghorban[redacted]an Israeli agent.

18. At this meeting, it was decided that the[redacted] intelligence officer would be the principal point[redacted]ct. The intel officer also was at the 8-10 October[redacted] meetings. Cave said that Rafsanjani used the[redacted] because he had more control over them. The i[redacted] presented a long list of requirements and almost the enti[redacted]

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day was [illegible] discussing the Kuwaiti 17. Our side encouraged Iran a[illegible]o keep an open mind and to continue to talk with [illegible]he intelligence officer was convinced to send a senior [illegible]ial to Kuwait for further discussions. This suggestion was followed five days later by a flash message to the Iranian Ambassador in Kuwait asking him to seek a meeting with the Emir. [redacted]

19. In early October, Roy Furmark, an old friend of the DCI, called the latter saying that he sees a problem regarding the exposure of an operation. Charlie Allen saw Furmark briefly while Cave was away in Europe. Subsequently, Cave and Allen went to New York on 22 October to meet with Furmark. Furmark told them that Khashogyi, a Saudi arms dealer, is the individual who has been financing the arms deal with Ghorbanifar since the inception of the deal. Khashogyi had financed the September shipment of 500 TOWs and made a $1 million dollar profit. On [illegible]ay 1986, Khashogyi had raised $15 million for the Haw[illegible]ares, getting $5 million from an Arab financier and $10[illegible]lion from two Canadians. There was a meeting, shortly a[illegible] 18 or 19 May 86, when this group (Khashogyi, Ghorbanifar, [illegible] and Furmark) decided on the price. They added $3 million [illegible]rofit and expenses; $2 million that was owed to Nir f[illegible]ome reason; making the price of $20 million that they would [illegible] from the Iranians. Furmark said that he was told by Ghorb[illegible]ar that the reason the price was elevated was that the prof[illegible]would be used to provide supplies to the Contras. The [illegible] was repaid his $5 million but the Canadians only receive[illegible].1 million, leaving them $8.9 million dollars short of their initial investment. At some later time, Khashogyi invited the Arab and the Canadians to a party and the Arab told the Canadians that he received his money. This upset the Canadians who threatened to file a suit in the U.S. against Khashogyi and have U.S. officials testify during the trial. Cave said that in April 1986, Ghorbanifar was arrested by the Swiss and held for 24 hours. He blamed [redacted] him for his arrest.

20. [redacted] provided the following additional i[illegible]on on financial transactions: 15 June the Iranians mad[illegible] million dollar deposit to Ghorbanifar's account; [illegible]ust, $8 million was deposited, but Ghorbanifar claims [illegible] $5 million is for the Hawks. Furmark said that $5[illegible]ion [illegible] for the Hawk spares and that $3 million was fo[illegible]. During a 7 May telephone conversation, which C[illegible]ed in only part of the telephone call, Ghorbanif[illegible] million for 240 hawk spare parts. Cave did n[illegible]how whe[illegible]

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the cost charged included other deals. He knows that the price for the Hawks was only $4 million. Cave said that he was su[illegible] the price difference. The first indication that [illegible] were exercised over the cost was 3 June 1986.

The st[illegible] then asked several questions:

(a) What was Furmark expecting? Only indication was [illegible] comment that the money could be regained if we [illegible]ermitted G[illegible]nifar to arrange another arms shipment.

[illegible] was your (Cave) assessment of Secord? He played a key role in arranging travel to meetings. Who did you think he was and who did he work for? Cave understood that he was a consultant to the NSC. [redacted]

22. Following the meeting with Furmark, Charlie Allen wrote a memo, addressed to Poindexter, which outlines his concerns over this project. Charlie Allen had a subsequent meeting with Furmark on 6 or 7 [illegible]ember. Furmark said that the Canadians were ready to su[illegible]d Furmark was putting pressure on us to use Ghorban[illegible] so that he could pay off the Canadians so that everything w[illegible] be alright with them.

23. The question was aske[illegible]What did we learn from our contacts?" Cave said that he [illegible] prepared a paper on this, and the staff asked whether they [illegible]an have a copy of it. Cave summarized saying that we lear[illegible] about the structure of Hisballah factions, views on t[illegible]ar, factions in the Iranian Government, groups that want t[illegible]ablish relations with the United States, [redacted]

David M. Pearline
Legislation Division
Office of Congressional Affairs

Chief, Hou[illegible]s Branch
Office of [illegible]al Affairs

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14-287+290

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Chapter 14

Footnote 287-290

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☐ next release – was connected to [illegible] delivery.

☐ Kuwait: 17

3 Issues on

- New parameter = 2 hostages – [illegible]
- C. [illegible] Kuwaiti plan
- Release of hostages essential.
  - Sign of commitment that your govt is going to work w/ us.

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Transcription of Sam Geneva notes

1. The initial meeting with [redacted] was between just he and Sam on 8 November. [redacted] had several points to make in this initial meeting. He wanted to re[redacted]ure us that Montazari is a moderate who had been duped by those around him. [redacted] recommended that we base our judgement on his public statements [redacted] to the media on various subjects. He is well liked by the media[redacted] greatest strength is his ability as a public speaker. [redacted]rom [redacted] statements that he is either an admirer of Mont[redacted] or in [redacted]y is involved with him politically.

2. [redacted]interupted [redacted] this point and said he wanted to tell Sam that he was to[redacted]Tehran to have nothing to do with the CIA rep in the group. [redacted] said t[redacted] indicate that there is some danger in his meeting with Sam. [redacted] Sam belie[redacted]mes out again we may have something, S[redacted] told him that if thi[redacted]oes forward It is going to be up to [redacted] and Sam. It is essential that we have better info on what is going on in Tehran so that we make no miscalculations or do something which would unknowingly endanger the Rafsenjani faction. We agreed that we will have to spend a lot of time together at the next meeting, if there is a next meeting.

3. [redacted] is very much concerned about the Gorbanifar-Khashoggi-Israeli connection. He said that their intelligence people had taken a hard look at these connections and concluded that Gorbanifar is an Israeli agent. They are uncertain as to what to do about it and are open to suggestions from us. He said that they had decided not to try t[redacted] him back to Tehran. In order to appease him and keep him quiet they int[redacted] continue to buy some items from him. (note; he said all this before th[redacted]spread revalations began so there may be a change). He would like to dis[redacted]he Gorbanifar problem at the next meeting. Sam pointed out that Gorbanif[redacted]es [redacted]ted that we should not make things too tough for Gorbanifar. He as[redacted] we could do something via the Israelis?

4. [redacted]

5. [redacted] wanted us to know that the Shera newspaper in Beirut was under Syrian control. This has led some in Tehran to conclude that the U.S. might have had a hand in the expose. Sam pointed out to him that we h[redacted]iderable information which clearly indicates that Hizbullah is involved [redacted] newspaper. We had concluded that Mehdi Hashemi may have used [redacted] means of channelling his leak. [redacted]

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6. Later on 8 November [redacted] gave a kind of pep speech to the American delegation in which he emphasized the need to forget the past and move on to a new relationship. He said that because of the nature of the government in Tehran, we should look at things as if we are dealing with a coorporate structure. He also said that they were somewhat dissappointed in the Frankfurt meetings as they had hoped to move ahead faster on the intel exchange. [illegible] also complained about the Israelis and said that we should have moved to [illegible] them and Gorbanifar. He argued that the Gorbanifar problem [illegible] ng one that we should have solved. He also tried to argue [illegible] t the leaks had started in the west. He even sugge[illegible] hat some [illegible] ir people thought that the leaks were engineered by CIA [illegible] me undefined purpose and this convinced them that CIA did not know what [illegible] doing. In short he tried in the best Iranian fashion to fault our side [illegible] verything that had gone wrong. He added that the current situation in T[illegible] is very fl[illegible] d is such that we must understand that it was a near mirac[illegible] t they h[illegible] n able to avoid a serious confrontation with the leftis[illegible] he celebrations on the occassion of the aniversary of the take[illegible] assy. He summed up by saying that this was the most difficult [illegible] ad ever undertaken. He was under impossible pressure. We must understand that he is the only true friend that we have. We should be sincere with him and develop mutual trust between us. He emphasized teamwork and we should now work together.

7. [redacted]

8. On 9 Nov., North began by sayin[illegible] he had specific instructions to dsscuss certain things with [redacted] on [illegible] lease of Jacobsen, the 17 prisoners in Kuwait and views on how we proceed [illegible] ly. North spent some time in describing the situation in Washingto[illegible] emphasized that we were doing our best to protect Rafsenjani and the bu[illegible] relationship between our two countries. Press commentary based on [illegible] njani's speech has hurt. Although we are maintaining a no comment postu[illegible] essures are mounting. Our problem is at one time to find ways to protect [illegible] relationship and at the some time find ways to move it along. We must [illegible] etter information on what is going on in Iran so that we are confronted w[illegible] o suprises. One example is the photgraphic copies of the [redacted] passpo[illegible] if these are published we will be in deep trouble. [redacted] comment on this was "are you sure that photographs were actually taken?" He said not to worry that he would make sure that no Photos were turned over to anyone. We said fine but if all else fails, give us some prior warning.

9. North stated that we were anxious to go ahead as soon as the hostage issue is behind us. We have a commo package, and have also identified a technician. We definitly do not want any of this to appear on television as we do not wish to endanger the technician when and if we send h[illegible]. North added that he wishes to emphasize that he is here at the order[illegible] President and we still have the same objectives as explained i[illegible] ton and Frankfurt. Our problem as we now see it is that we must get [illegible] es out in order to get the press off our backs.

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10. This led into a long, 4 or 5 hours discussion of the Kuwaiti seventeen. [redacted] problem is that he was holding discussions with us based on a very restricted brief. He insisted that they could not send a senior government official to talk to the Kuwaitis unless they were sure that it would result in the release of the Dawa prisoners. We pointed out that we had done all that was humanly possible by talking deirectly to the Kuwaitis [redacted] We were as sure as we could possibly be that any overa[illegible]n would be warmly recieved by the Kuwaitis. [redacted] continu[illegible]he need for guarantees, but at the end of the discu[illegible]greed [illegible]ngly recomend that Iran go ahead and dispatch a senio[illegible]cial to [illegible]o the Kuwaitis? [redacted] ended his comment on the Kuwa[illegible] by saying that in their discussions with the Hizbullah about the Kuwa[illegible], they had been hopefull of their early release. [redacted] thought that whate[illegible]e do we must serve this hope of the Hizbullah. What it boils down to no[illegible] tit for [illegible]tuation between the Kuwaiti 17 ands the rest of the hostag[illegible] one po[illegible] [redacted] said that if the 17 Dawa prioeners were freeed there [illegible]m with the jother two hostages.

11. [illegible] discussion, we assurred [redacted] that we would do our best to insure th[illegible]ing was said publicly in Washington that would hurt Rafsenjani. On his part, [redacted] tried to explain some of their problem in Lebanon. He pointed out that the Hizbullah was the only real organizational structure. He stated some of the other organizations, like Jihad-i-Islami are in reality a loose knit combination of factions who dissagree on diferent issues. They are also a polyglot group in that Iraqi shiahs and even some chariks are involved. What control over the Jihad-i-Islami that exists, is exercised by the Syrians. [redacted] said that the Dawa helped them in getting Jacobsen released. [redacted]

12. On Nov. 10 Sam held a final m[illegible] with [redacted] in which [redacted] stated that they were in a very precarious e[illegible]c situation and were having trouble raising money to pay for future shipm[illegible] He wondered aloud if we could not do something to alleviate their finan[illegible]runch. he also is extremely worried about the Israeli connection. He des[illegible] it as a bomb ready to explode. [redacted] He reviewed the Gorbanifar problem and said that while it is tru[illegible] they owe him 10 million dollars, he also owes them 1,000 tows and [redacted] not know how we are going to solve this problem. He urged Sam to do all [illegible]n to keep him quiet. [redacted] said that one of the reasons Tehran decided to proceed with this contact is that we differed in our approach to the hostage question. They know that we have been far more honorable t[redacted]and this is appreciated in Tehran.

13. [redacted] reviewed his intel requirements. [redacted]

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[redacted]

1[illegible] made a final appeal on getting rid of Sadam Hussein. He wanted us t[illegible]rstand that there was no way the war could end with Sadam in power. The [illegible] up of th[illegible]75 agreement on TV must be avenged.

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T[illegible]

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Q2605-2606

Cia 1720

Areas of Concern — Ru 925

☐ Terrorism

- Soviet Arms (T-72/ [redacted]

[redacted]

- Nicaragua

- [illegible] – hands of [illegible].
  [illegible] – drop in hands of IJO.

- Hizb – Leb org. – Party, Structure,
  Islamic Jihad – [illegible], [illegible]
  - no [illegible], some groups not necessarily Shia

- Relationship btwn Dawa, IRG, IJO
  IJO – several diff grps of Arabs w/ Relations to [illegible] Islamic govts
- Bridges – Iraq, Leb [redacted]
- Animosity toward revolutionary govts like Iran
- not the kind of people who you can tell what to do
- Only way to influence is thru Iran
- The IJO has respect for power of IRG, when IRG says it will do something the IJO follows

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9 Nov 86

Private acty w/ [redacted]

- [illegible] is a Secret group

[redacted]

- Original demands by, IDO used to reimburse for costs,
- IDS got most demands dropped.

[redacted]

- Iran's release of Weir, Jenco; [illegible] and
  [illegible] Kilburn ~~and [illegible]~~

[redacted]

[redacted]

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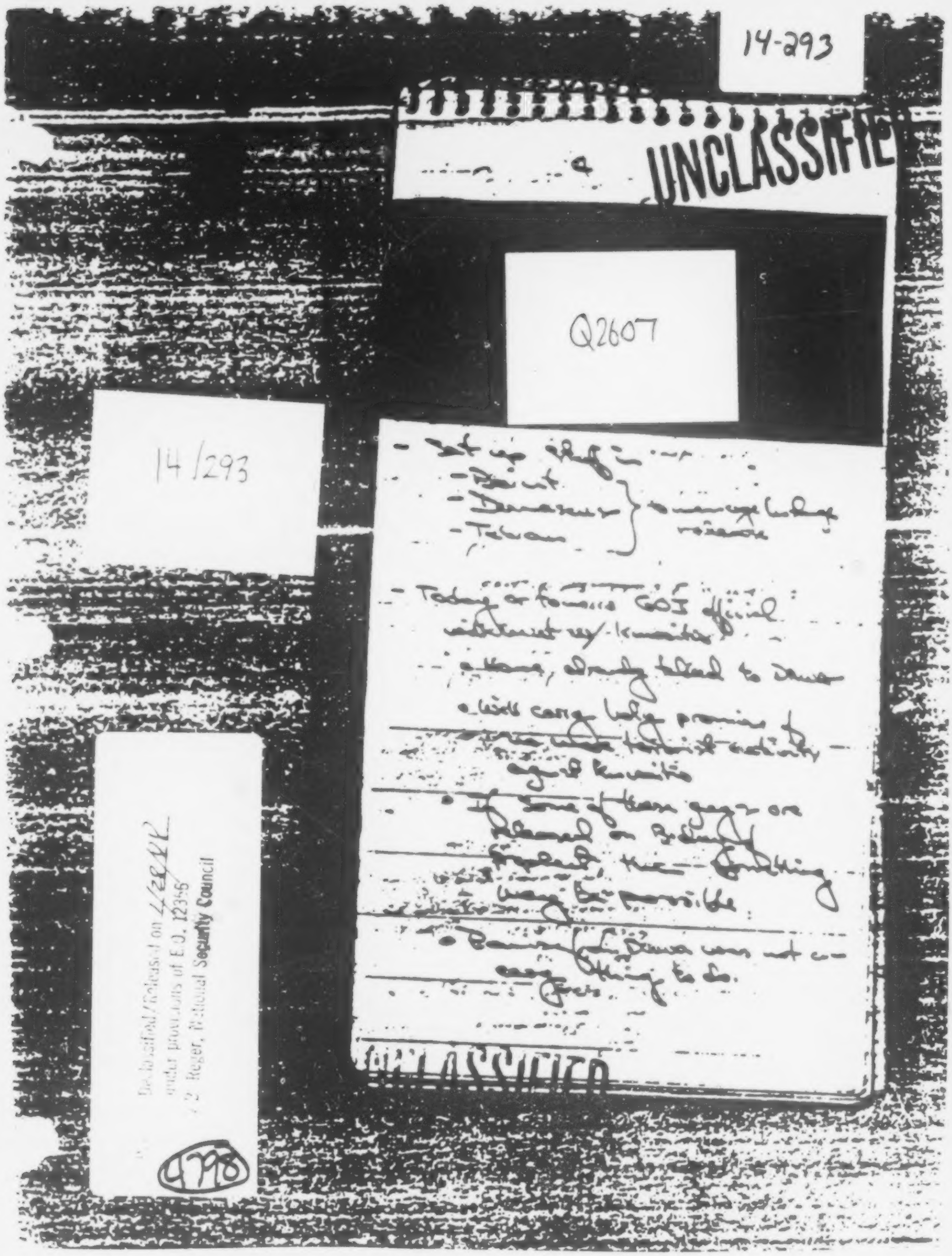

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Q2607

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- Set up shop in –
  - Beirut
  - Damascus } to arrange hostage release
  - Tehran
- Today or tomorrow GOI official statement re/ Kuwaitis
  - [illegible], already talked to Dawa
  - will carry [illegible] promise of [illegible] terrorist activity against Kuwaitis
  - If some of these guys are released on [illegible] grounds, then [illegible] may be possible
  - [illegible] Dawa was not a [illegible] thing to do.

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: Please tell us what we can get elsewhere if there are that cannot be released.

Para #4 on Kuwait, 17 plan (USG will suggest freeing some of 17 in

☐ NR - Gorba told [redacted] on Plane 1 wk ago: "The Americans have said they have direct contact w/ Hashemi Rafsanjani."

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- If there is one thing that I know, things w/ H is this

- Who the hell is behind this statement by Gorba?

- Gorba says that we (USG) is spending Iranian & in Nicaragua.

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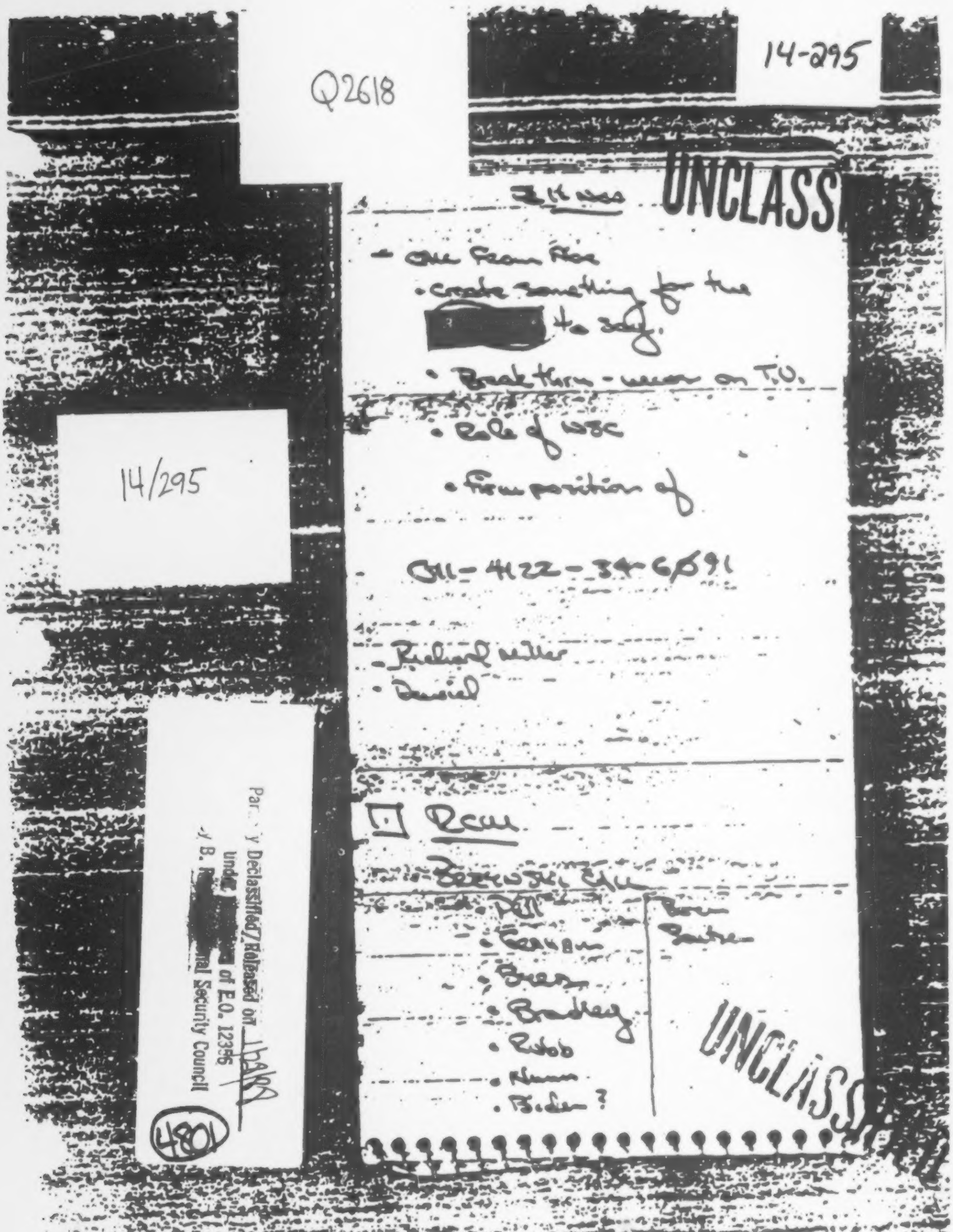

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3:11 news

- Call from Fitz
  - Create something for the [redacted] to say.
  - Break thru - news on T.V.
  - Role of NSC
  - Firm position of

- Call - 4122 - 34 6091

- Richard Miller
  - Daniel

☐ Recall

Berkowitz, Ed

- Pell
- Graham
- Breaux
- Bradley
- Robb
- Nunn
- Biden ?

Boren

Sasser

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14/295

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under [redacted] of E.O. 12356
y B. R[redacted]nal Security Council

4801

Chapter 14
Footnotes 14-296+298

2 pages.

N 8090 - N8091

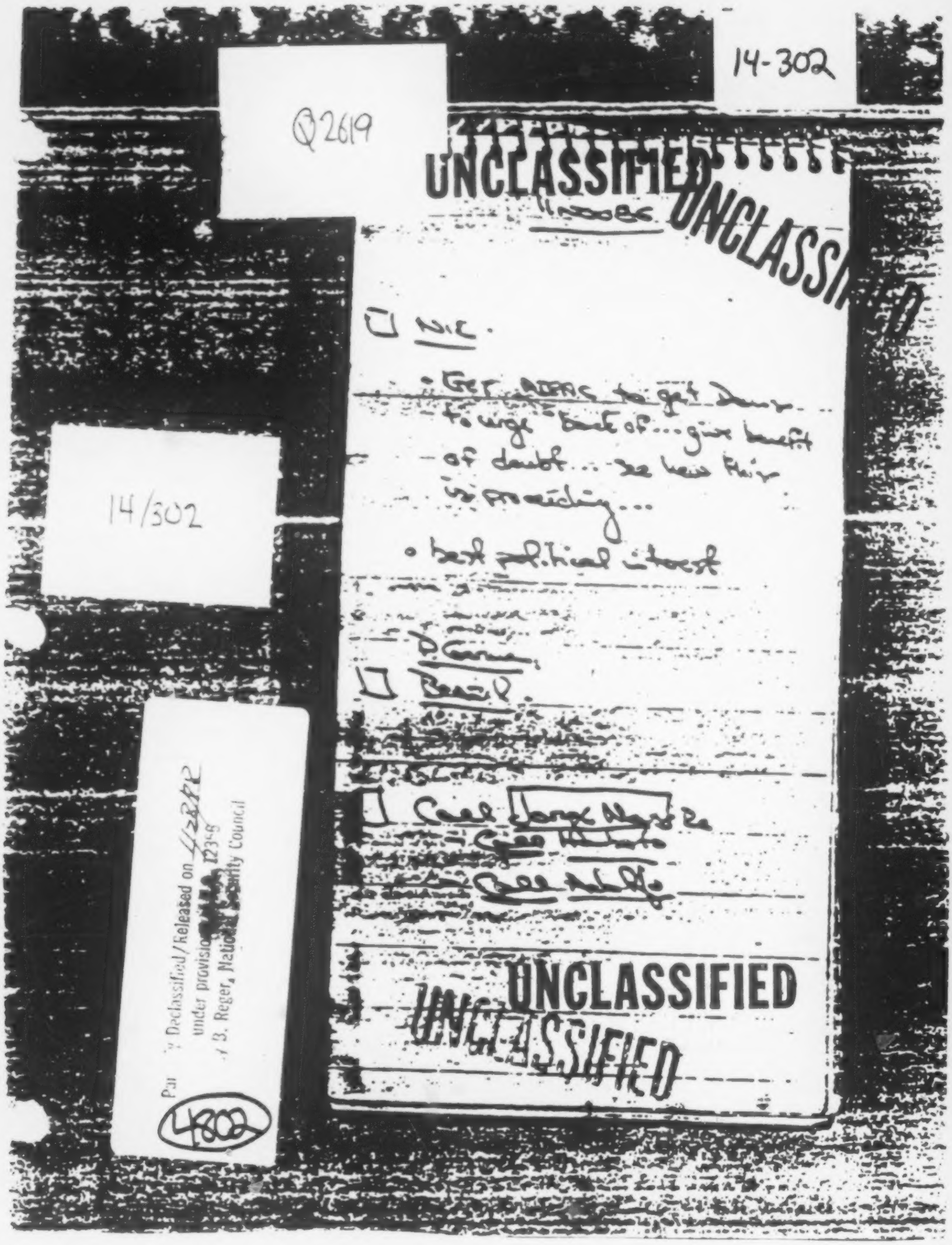
DENIED IN
TOTAL

Illegible: not reviewable

4463

14-297

CLASSIFIED AT TIME OF PUBLICATION.



14-302

Q2619

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UNCLASSIFIED

☐ Nic.

- Get AIPAC to get Danny to urge Bank of ... give benefit of doubt ... see how this is proceeding...
- best political interest

[illegible]

D. Garcia.

☐ Brazil.

[redacted]

☐ Call Jorge Mas Ca
Geo [illegible]
Bill [illegible]

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14/302

Par[illegible] Declassified/Released on 4/23/92
under provisio[illegible] 12356
[illegible] B. Reger, Nation[illegible] [illegible]ity Council

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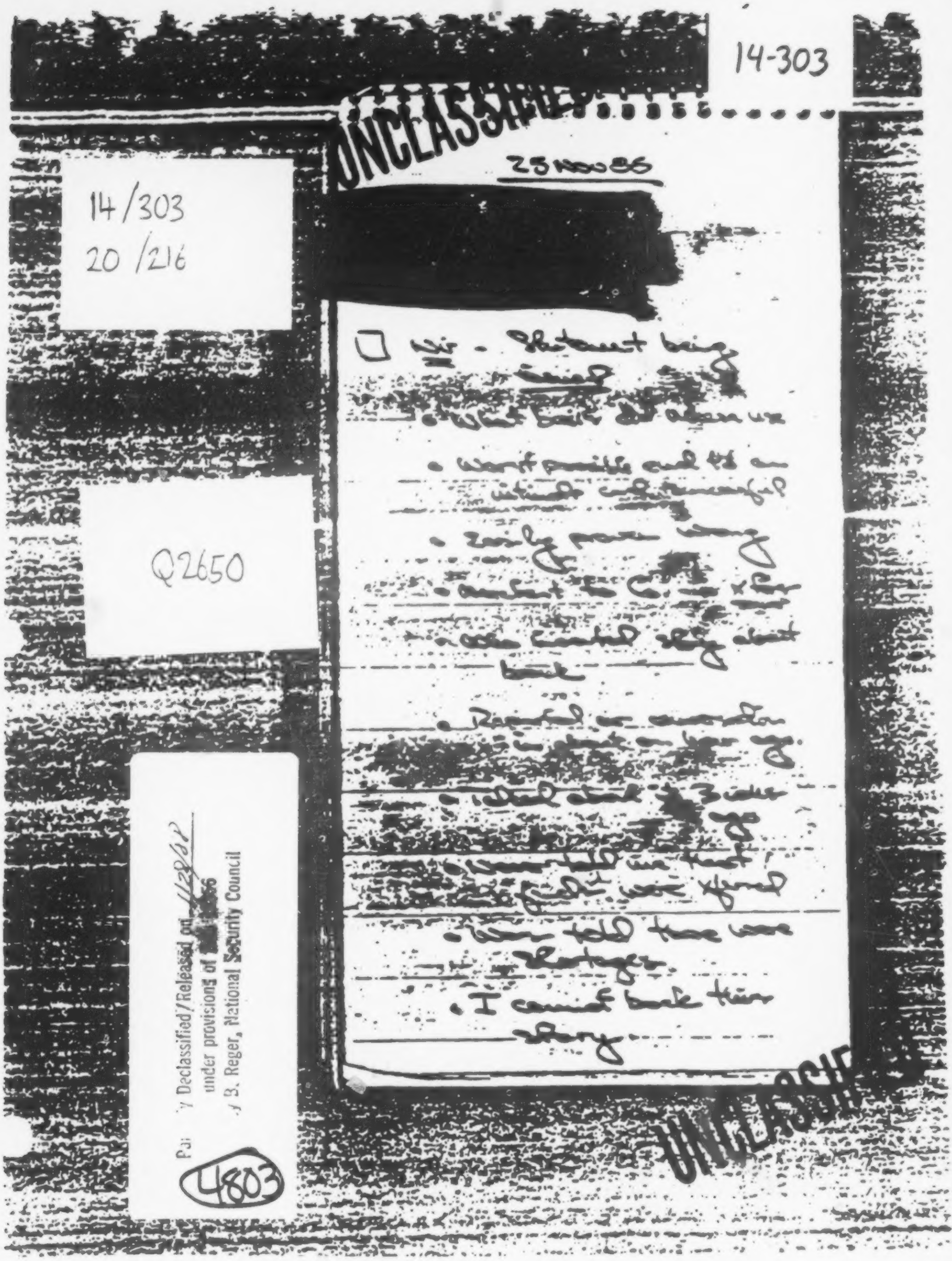

14-303

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14/303
20/216

Q2650

23Nov86

[redacted]

☐ [illegible] - Statement being issued

- [illegible] back [illegible] us
- Won't provide [illegible] and [illegible] an ultimate [illegible]
- [illegible]
- [illegible] to Co. [illegible]
- [illegible] [illegible] back
- Reported in [illegible]
- [illegible]
- [illegible] told us that [illegible] was [illegible]
- Were told there were shortages.
- I cannot back this story.

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4803

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C 09532

Chapter 11

Footnote 3 14-304

The Director of Central Intelligence

Washington, D.C. 20505

Natio[illegible]gence Co[illegible]

NIC 05623-86
12 December 1986

MEMO[illegible]M FOR: Di[illegible] of Central Intelligence
[illegible] Director of Central Intelligence

FROM: [illegible]rles E. Allen
National Intelligence Officer for Counterterrorism

SUBJECT: Terms of Reference for Cave/Dunbar Discussions

1. The terms of reference (TOR) approved by Armacost for the Cave/Dunbar iscussions with the Iranian Revolut[illegible] Guard leader [redacted] in rankfurt—if implemented—will effe[illegible]y shut down the Iranian initiative. n the TOR, the Department makes it [illegible] that this channel can only be used or the exchange of intelligence, no[illegible] any other substantive exchanges. ince there is little that we can pa[illegible] the Iranians—other than ntelligence on the Soviet threat—t[illegible]nians are unlikely to find this of ch interest, given their almost to[illegible]sorption with Iraq. From the tone f the TOR, it is clear that the Dep[illegible]t is very narrowly defining what nstitutes an intelligence exchange.

2. Unless the Department has a w[illegible]efined alternate strategy and other able channels to pursue, closure of[illegible] link would be premature and a rious mistake. We have reason to believe that this channel runs directly to fsanjani and that it probably is relatively reliable. It has been strumental in securing the release of one American hostage and, given the lividuals involved, may be key to effecting the release of additional stages. The individuals with whom we have been dealing, moreover, clearly it rapprochement with the United States. They recognize that Iran has been nomically devastated by the war and that it will require Western financial port and technology to recover.

3. I believe it is imperative that the TOR be modified t[illegible] hanges on issues broader than intelligence and that a des[illegible]ate icer should participate in these discussions. No one qu[illegible] State ing the lead in the Iranian initiative, but acceptance o[illegible] S[illegible]TOR, as rently constituted, would essentially end any useful di[illegible] wi[illegible]an for foreseeable future.

(4464)

Charle[illegible]Allen

CIIN 4033

CL BY [redacted]
DECL OADR
[illegible] ORCON

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Executive Registry 18055

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Material Not relevant to time period.

UNCLASSIFIED

18,224-18,228

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Chapter
Footnote 14-307 to 3122

IST.

/S 12/12

S 3578

MA - Iran Caper

Charlie Dunbar called secure this morning at 0830 from Frankfurt with the following report:

--Albert Hakim was waiting at the hotel for George Cave when the latter arrived in Frankfurt. Hakim told Cave that he would not participate in any further meetings unless he could have a lawyer with him. Cave said he would not agree, so Hakim will not be at any of the meetings. Cave added that Charlie Dunbar would participate, and Hakim said the Iranian side had no problems with that arrangement.

--[redacted] arrival in Frankfurt has been delayed. He should arrive Saturday, after which a meeting will be held.

[redacted]

--Charlie will stay in touch by secure phone.

Comment - It is just as well that Hakim is out of the circle. The last thing we need is another five percenter involved. I am, for obvious reasons, skeptical that Hakim was waiting for Cave at the hotel and therefore Cave had to talk with him alone. Yet further proof that the sooner this one reverts to a regular intelligence channel the better.

[illegible]

Partially Declassified [illegible] 1/26/88
under pro[illegible]
by B. [illegible]

4465

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~~SECRET/SENSITIVE~~

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12/13

S 3879

Mr. Secretary -

Charlie Dunbar of NEA, who went to Frankfurt with George Cave of the Agency for a meeting with the Iranian interlocutor, called this morning with a read-out of the conversation

The meeting took place at 1100 Saturday morning at the Park Hotel in Frankfurt. Dunbar and Cave were on the American side; [redacted] an intelligence officer for the Revolutionary Guards who has been Cave's contact, was alone.

--[redacted] began the conversation by making the following points:

--We need to know how to proceed from here. Much has been accomplished by North, Secord and Cave. We need to move ahead quickly within the already established framework. Despite all the press revelations, the Iranian side is ready to proceed; if the U.S. side can manage its domestic problems, we can move ahead. There are four issues on Iranian agenda:

--The War - Iran has some ideas on how to proceed on this issue. The key and non-negotiable demand, however, is that Saddam "and his organization" must go.

--Iranian Military Equipment in the US - These goods must be turned over to Iran. The Chairman of the JCS and the Secretary of Defense have publicly admitted that the goods are ours; we want to know when will we get thme back.

--New weapons for Iran - You promised us 1500 more TOWs and 100 TOW launchers. We need them and want them [Dunbar reports that he is not certain if [redacted] was referring to additional TOWs beyond the 2008 already shipped, or was inferring that the 2008 were never all delivered. Dunbar will pursue this point with Cave].

--Dawa Prisoners in Kuwait - This is an important issue for the Lebanese. If the Dawa prisoners are released, the Lebanese will be more flexible with respect to the hostages. Iran is prepared to exert whatever limited influence it has.

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S 3879 A

--[redacted] then referred to the "nine point agenda" and noted that several points remain to be fulfilled; "five or six have been acted on". Cave later told Dunbar that there is an informal nine point agenda, but there may be disagreement between the US and Iranian sides over what the specific nine points are. Cave also said that he believed North had a copy of the agenda, but he did not know if other copies existed. [redacted] read from a Persian copy during the meeting with Dunbar/Cave.

--Cave also told Dunbar after the meeting that the Iranians had discussed with us [redacted] Phoenix missiles which are inoperable and stored at an Air Force Base in Isfahan. Cave added that the American side had been thinking about sending a [redacted] technician to repair the missiles. Cave also referred to discussions about the supply of 240 additional Hawks and more TOWs.

--[redacted] told Cave/Dunbar that the Iranians had made a demarche to the Kuwaitis at our suggestion. Cave later explained this to Dunbar by saying that he understood that Poindexter, during the recent UNGA, had spoken with the Foreign Minister of Kuwait and encouraged Kuwait to release the Dawa prisoners. [redacted]

--[redacted] also referred to the Lahad prisoners in Southern Lebanon. Cave later told Dunbar that we had formerly suggested to the Iranians that we could do something to get the prisoners held by Lahad released as a way to soften up the radical Shia.

[redacted]

--Dunbar Presentation - Charlie read the talking points which we sent him last night. He emphasized that the arms for hostage phase was over. In response, [redacted] focussed on that point and said that would bring us back to zero. He said he understood Charlie's presentation, but that Dunbar should return to Washington and get briefed on where this situation stands. Alot of commitments had been made and we were far down the road.

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There are no more meetings scheduled in this session. We have asked Charlie to return immediately to Washington and prepare a full report. He will be back Sunday night.

I should emphasize that this report was over secure phone and we are still missing many of the details. Also, it is difficult to differentiate between what is factual and what is Cave's opinion and assessment. Once Dunbar is back, we will prepare a comprehensive report and assessment for you.

S 3880

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14-314 to 318

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